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8:04 a.m.

[Mr. Fischer in the Chair]

### Designated Supply Subcommittee - Municipal Affairs

Fischer, Robert, Chairman  
Barrett, Pam  
Bonner, Bill  
Clegg, Glen

Ducharme, Denis  
Gibbons, Ed  
Klapstein, Albert  
MacDonald, Hugh

Marz, Richard  
McFarland, Barry  
Thurber, Tom  
Zwozdesky, Gene

THE CHAIRMAN: Folks, I think we'd like to get started here. I would like to welcome everyone this morning. It's nice to see everyone bright-eyed and bushy-tailed, ready to go to work at 8 o'clock in the morning. They say that the early bird always gets the worm, but you've got to make sure that you're the bird and not the worm.

To begin with, we have to move our procedural motion that is required prior to the commencement of our meeting. It's just laying out the ground rules for us. We need unanimous consent for this.

This is to allocate four hours to the meeting with Municipal Affairs.

- (a) the minister responsible first addresses the subcommittee for a maximum of 20 minutes.

It's entirely up to you, Iris, if you'd like to cut it short, but we'll probably cut you off after 20 minutes.

- (b) opposition subcommittee members then have one hour for questions and answers,
- (c) government subcommittee members then have one hour for questions and answers,
- (d) opposition subcommittee members then have one hour for questions and answers, opposition subcommittee time of 120 minutes total will be split 90-10, with the third party New Democrats receiving a block of 12 minutes to be used in either opposition hour,
- (e) government subcommittee members have the remainder. In the event government subcommittee members do not exercise their right under this agreement to use this final hour, the chair shall recognize any members of the committee who have questions.

I would invite someone to move that motion.

MR. ZWOZDESKY: I would make that motion, Mr. Chairman.

THE CHAIRMAN: Thank you very much. A seconder? Are we in favour?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Madam Minister, if you so wish, your staff can sit with you too. You look a little bit lonesome down there.

MS EVANS: Mr. Chairman, I would be pleased to make an arrangement. We did discuss that. Because one of our municipalities has some weighty issues that are imminent to discuss, the deputy minister, Eric McGhan, who's seated over here, will be having to leave. So in the interests of not being sure, they just offered to jump to the pump whenever and leave these spaces for my colleagues if more should arrive. I know this is a favourite Monday morning task, but I am going to stay lonesome, I guess, unless there is something members wish to ask for, and then they will come forward if that could be allowed at that time.

THE CHAIRMAN: That's just fine. I should mention one other thing, too, before we get in. If we don't get the four hours in, we have to have unanimous consent. Everybody has to agree to shut it off earlier. If you opposition members get questioned out and have no more questions, then we will bring that motion forward.

With that, Madam Minister, I think you can go right ahead.

MS EVANS: Thank you, Mr. Chairman. Then for the record if I could introduce the staff that accompany me today. My deputy minister, Eric McGhan, is to my left. To my far left are the assistant deputy minister for registries and registrar, Laurie Beveridge; the assistant deputy minister of housing and consumer affairs, Rick Beaupre; the executive director of local government services and acting assistant deputy minister, Bryan Quickfall, from local government; Laurie Collins, from communications; the executive director of finance, Keray Henke; the director of budget and analysis, Bryan Huygen; and Elan Gough, my executive assistant from my office.

Mr. Chairman, I reviewed some of the materials that we provided last year, and I thought that this morning as a beginning I would tell you just a couple of things so that you don't get the feeling that we talk the same way from Municipal Affairs. As a result of work done in our department by a consumer investigator, we were responsible for catching and capturing somebody who had committed murder. Sergeant Hines wrote to Municipal Affairs stating this:

The overall success in this case stems from the outstanding support and cooperation our unit received during the critical startup stages of investigation. The assistance received contributed greatly to our ability to quickly coordinate and execute a variety of different investigational steps, involving a large number of different agencies, to the point where murder charges were laid against the suspect.

Mr. Chairman, I'm introducing that this morning because today when you pick up your *Harvard Business Review* or your *Business 2.0* - and I know I'm not to use props here but just to identify for you that in the new economy there are new rules, new leaders, and it is new pressure for people in consumer affairs in our department. It's also new pressure for Registries, and people don't often contemplate that this department is a combination of four departments. It has the weighting of responsibilities that are unique, that are different, and that are changing extremely rapidly.

So as a way of introduction to the four core businesses that we've provided, I wanted you to know that when you see Web Site Blues and Why On-line Grocers Are Having Difficulty, a good part of what we are trying to do with municipalities in the MuniMall program in co-operation with the university and with the private sector and also in housing relates to the fact that people are doing business differently. The co-op act in itself and the rewrite of the co-op act is another symbol of the desire of the grass roots to do business differently, whether it's in co-op gas or whether it's delivering municipal services and things that were traditionally delivered by other agencies. So the agility of the department of some 700 people, 10 more than last year relating to mediation and assessment services, is being tested on a daily basis.

Mr. Chairman, I want to just provide something else for you

because of the recent Supreme Court decision that ruled that fees could be in fact construed to be hidden taxes. I think this is an important bit of information from Alberta Registries, and it is additional information to what some of you may have contemplated. Registering a Ford Taurus sedan in Alberta costs \$53. The national average is \$71. We're 25 percent lower than the national average. To get your operator licence renewal for one year in Alberta is \$9, and the national average is \$21. To land title register your land buying a \$150,000 house and a \$140,000 mortgage in Alberta costs \$365. The national average is \$939, part of the Alberta advantage, a 61 percent reduction. Marriage licences here cost \$40, and they're an average of \$69 elsewhere. A certificate of incorporation, regular business and name, is \$707 here. There is one area where we have work to do because we are ahead of the national average, but it is a good part of our retooling of our systems. Our trade name registration is \$7. The national average is a little bit lower, but again part of our work in Registries will be finding other ways to work on our hardware and our software. But our annual return for corporations provincially is an average of \$21, and the national average is \$41. So in many respects people in our department are delivering an overall extremely competitive service, service which has undergone some significant changes.

Mr. Chairman, I'm going to say right up front with Registries that many of the things we have shared with the Pricewaterhouse report and the consultations on the FOIP committee have, as you know, added an extra financial burden over this past year of about a million dollars. Dependent upon what decisions will be made by our government this next year, it could impose additional fees for the protection and privacy of personal information. So that's part of the activity that's implied in this business plan.

Mr. Chairman, again, who do we serve? Besides the municipalities we serve those who want to register both births and deaths. We are the ones that are responsible for legislation and the delivery of the realtor services that are administered in Alberta by the Real Estate Council, a group that like the credit counseling services has been levered out of our department and is managed either by peer colleague groups or groups that are more representative of industry.

Mr. Chairman, probably the most poignant comment that crossed my desk in terms of reports received this year was from Credit Counseling Services, which we are still subsidizing in this budget, an amount just over \$500,000 but a steadily declining amount every year. The comment from somebody was that it was the first time in three years they had been able to buy Christmas presents for their children. So in fact a large part of what we're doing by offering these services by partnering with the private sector is giving us an ability to do that.

**8:14**

I want to just talk about our revenue highlights. We expect to spend \$259 million for our department's expenditures, and that's for the total expenditures, although clearly there will be additional revenues attributable in large part to a lot of the management of Registries and the registry services. Our revenues, we predict, will increase \$42.6 million to a total of \$294.9 million, \$2.6 million over our '98-99 budget.

Mr. Chairman, when you take a look at what is stated, and I will for the record restate the refinancing of the Alberta Social Housing Corporation from the Alberta heritage fund, because inevitably there are questions about it. In '98-99 the corporation was given \$232 million to repay debt held by the Alberta heritage savings trust fund. That amount of debt coming due in '99-2000 is significantly less, and it's had a ripple effect on the budget. So the amount of funding provided by Alberta Treasury is subsequently reduced, but it does

not mean - and I state again that it does not mean - that the number of dollars to go to those people that are in need of housing has been reduced.

The forecast-to-budget change is slightly less than the budget-to-budget change and is attributable to some additional operating expenses incurred by the corporation in '98-99 that were onetime only. Overall - and I'm going to just say this for the record - our '98-99 budget was \$474.6 million, but it included \$231.2 million for the Alberta Social Housing Corporation to repay debenture debt owed to the heritage fund. Our outstanding debt for the fund is reduced now to \$232 million. Our interest payments have also been reduced by over \$15 million. So our '99-2000 budget includes only \$30.7 million for debt repayment to the heritage fund. I think every time our department has been able to work with Treasury and with other departments to refinance debt, we have made a contribution to the economy in Alberta and freed up dollars to actually work rather than pay banks. Our budget therefore is reduced because we do not require as large a debt retirement budget, so it's down \$200.5 million, and interest payments have been reduced, as I've stated, by \$15 million. I just wanted to provide that comment again for you.

Mr. Chairman, of the 362 municipalities, 110 are towns and 110 are villages. We have two specialized municipalities, a special area, 65 rural municipalities, and 14 cities. Clearly this past year and again this coming year focuses on assessments. The farm assessment review and work that will be conducted in part by looking at the calculations on the education property tax will be focuses that are contained within this budget.

Mr. Chairman, significant amounts of data have been collected by the hon. Member for Olds-Didsbury-Three Hills, who has been providing a lot of work on the farm assessment. I must say a good part of what's going on in local government and in local rural municipalities as well related to the hon. Member for Drayton Valley-Calmor and a number of other members of this standing policy committee on agriculture and rural development and really still are delivery systems that we are working on and hoping to provide in the best fashion possible.

Our division added people last year, as you will recall, to help with the assessments. This year, Mr. Chairman, a good part of the people that will be added are people that are working to mediate in municipalities. We've had people that have been trying to conduct principles, goals, and assumptions to help people work on complementary services.

A good part of what's written in the newspapers locally reflects on the Capital region, but other municipalities all across this province - more recently in Olds within that community itself, the M.D. of Mackenzie and other municipalities, the county of Kneehill, and Brooks - have all required specialized services. They can't be done just by anybody in mediation. They should be done by people who are familiar with the Municipal Government Act and who are able to provide extra assistance. So there is where we're providing financial support. Our efforts have in fact gleaned some results in the situation of Beaumont in the county of Leduc in the recent past, also between the MDs of Flagstaff and Paintearth. We had outstanding success in this past year, and we're hopeful for more to come.

Mr. Chairman, the local government services in fact are targeting the strength of local government in Alberta, and through continued work on the MuniMall, which was announced over a month ago, we will work to help local governments improve their baseline data and have strategies to improve their level of confidence. You'll notice in our performance measures one of the new performance measures is to talk about the developing of public confidence in the delivery of local government services. It's a very important one to us.

The Municipal 2000 sponsorship program enabled us to deliver

additional funds to targeted areas of need, predominantly in the electronic area, in the year previous, certainly a lot of people getting Y2K ready, but over this next year we anticipate over 300 municipalities will take advantage of that program to supplement the support needed for their budgets.

Mr. Chairman, you will look into the budget and notice this year that Municipal 2000 is funded from the lottery dollars, and I want to make that statement right up front. This is in fact something new for the funding source of revenue this year, and it's something that I feel very positively about. It is a way that the dollars are put to work in our community, and that you will note when you look at the delivery of the lottery funds. It does not deny the importance of those dollars to municipalities, but it is a way, in fact, in which those dollars can be profiled, because they are of extreme importance. But there are \$99 million plus in unconditional funding that go to municipalities still within this budget that assist in everything from local municipal services to policing to assistance with their infrastructure.

Mr. Chairman, if I could move beyond the education tax committee that I highlighted previously to simply state that it is the intent of our government to take existing data and look at that data in a way that will help us to achieve some equitableness and balance within the dollars that we take from the property taxes. I'm not suggesting here that we are trying to reduce the dollars in education, and I'll probably have to say that once a day over this next six months so people get it really clear that what we're looking at simply is calculation. We will be profiling circumstances where people pay as little as \$39 per capita for education to circumstances where people pay two and a half times the requisition, that is dollars finally returned, and it's not a function of the market value but relative to the circumstance we find ourselves in in terms of relative wealth.

Mr. Chairman, as you'll be familiar with, last November our Premier asked me to co-ordinate the number of ministries that are involved in housing. Clearly, with eight ministries involved, whether they're housing people who have just recently left a penitentiary or whether they are people that are providing additional rents for seniors or additional amounts for people on shelter allowances or on the AISH program or whether they are people that are being served within Municipal Affairs - we serve over 22,000 seniors through our lodge management bodies, and the heavy emphasis is through partnerships. We also help in the housing of about 15,000 families, putting a roof over heads of about 22,000 children. In the next year we'll continue to spend about \$87.4 million on supportive housing programs, and I think many times in the House I have profiled these, but we also serve 265 disabled Albertans. There's a unique program providing 389 beds for seniors.

Mr. Chairman, there are a number of people that are going to require even more assistance in that capacity as we have mentally handicapped people who will be part of those housing programs as they become senior and their lifelines are extended. You'll find a lot of the review that we do will help us. Also through Intergovernmental and Aboriginal Affairs it'll provide a better and more co-ordinated program for the administration of remote and native housing in the future. So we have some opportunities, I think, through the budget this year to look at these intergovernmental initiatives and focus on real improvements that will benefit people as well as communities.

8:24

Finally, Mr. Chairman, I'd like to speak about consumers and registries a little bit more, touching as I did at the first on consumers. We get about 90,000 consumer-related calls each year, and about 40,000 relate to landlord and tenant issues. They're not necessarily

critical, but often they're asking for information. As you know, our Hang Up on Fraud program and the work we've done on cracking down on fraud, telemarketing, door-to-door time sales, prepaid funeral services - and the development of the Motor Vehicle Industry Council last year will certainly be part of the things that we hope will anticipate an even better delivery system for people in terms of automotive issues as well. We're working still on the charitable fund organizations, reviewing the impact of freedom of information on their service delivery.

If I can move to Registries, I want to just talk about the mainframe computer. Because of its age - it's a grand old daddy, 18 years of age - we're looking at the private sector and other partnerships within government to improve that delivery system for us. I think it will be something that will certainly test the people in our department, including work they're trying to do with other provinces to see if there's anything that we can provide there as complementary services to them.

I think Registries are very proud of the fact that last year they registered over 2 million vehicles, 18,000 marriages, and 38,000 births. We are anticipating even more of the corporate registrations this year. As I indicated earlier, \$42 million extra will come from the businesses in our province.

Mr. Chairman, 95 percent of registry agent customers were satisfied with their delivery of service this year. I'm not surprised, because they've worked extremely hard. That statistic talks about, as well, the fact that we employ over a thousand Albertans in the delivery of registry services, including all of the people that are registry agents in this privatized system.

Mr. Chairman, I don't know how close I am to the end, but you noted that the vital statistics and registry agents and funeral homes have all been areas of our business that we have had a conversation about, partly because of legislative change last year and partly because of delivery systems that have changed.

We have the Municipal Government Board that anticipates being busier this year because of the kinds of appeals that may occur in both Calgary and Edmonton as they update their general assessments for the first time in seven and eight years and come on-line with market value assessments. We're hoping not, but we anticipate we could be busier this next year. So some of our costs in this budget will reflect that.

In conclusion, I'd just like to say that the assistance from all of the people who are partners as well as the assistance of this committee, certainly even my critics who have been very honest and forthright about information that they feel should be known by this ministry - I think all those things have helped us improve. I want to say a personal thanks to you for assistance in delivering the kinds of services we do through Municipal Affairs.

With that and feeling I'm probably at the end of my time, I'd just like to say that I'm prepared to answer the questions today if at all possible and if not at a later date.

THE CHAIRMAN: Thank you very much. I hope you're not at the end of your time.

MS EVANS: I get the picture. No, not that time but the 20 minutes.

THE CHAIRMAN: Did I hear you say 8,000 births?

MS EVANS: No. Let me just give you that figure again: 38,000 births. There's a lot more romance than you were aware of if you were thinking just 8,000. Thirty-eight thousand births and 18,000 marriages.

THE CHAIRMAN: Okay. Thank you very much.  
Ed, would you like to go ahead then?

MR. GIBBONS: Mr. Chairman and Madam Minister, what I've broken down is six different areas that between the three of us we'll try to cover. The first one I'll start off with is ministry support services and some of the questions around that. I do know that the department's main objectives and concerns are clarifying and redefining the relationship between municipalities and Municipal Affairs; secondly, capital governance initiatives; managing the shortage of affordable housing and the deterioration of municipal infrastructure in Alberta's booming economy; investing in technology to sustain the revenue coming from the privatization of registries; dealing with tax issues, including the move to market value assessment for property taxes, changes to linear assessment, and the effects of property taxes on the educational side.

But starting under program 1 of the Ministry of Municipal Affairs, I've got a few questions, and if you have questions on where I'm pulling that from, I've got all the numbers it can relate to. Will the minister provide information on any plans for capital investment by the Ministry of Municipal Affairs for 2000-2001 and 2001-2002?

The second question: will the minister provide information for what we call the full-time equivalent - I'll call it all the way through as FTE today - levels in the Ministry of Municipal Affairs for 2000-2001 and 2001-2002?

Will the minister provide a breakdown of the ministry expenses, which is \$256.788 million gross operating expenses in 1999-2000, by object for the following components: salaries of permanent positions, salaries of nonpermanent positions, wages of contract employees, travel expenses, advertising, telephone communication, and hosting expenses? Will the minister provide a similar breakdown for consolidated program expenses for the \$246.049 million in 2000-2001 and the \$248.976 million in 2001-2002?

Just adding another thing right at this particular time, another question that I have in the back of my mind. The minister ran over her budget last year. Are we to expect that again this coming year?

Will the minister provide a breakdown of premiums, fees, licences collected by the ministry for '99-2000, which is \$283.504 million; in 2000-2001, \$289.037 million; and in 2001-2002, \$294 million, by component of organizational entities? Will the minister provide a breakdown of investment income for '99-2000, which is \$1.730 million; 2000-2001, \$1.35 million; and 2001-2002, \$1.3 million, by component of organizational entities?

Under program ministry support services I'm starting off with 1.0.1, minister's office. What is the breakdown of the \$270,000 in the minister's office budget for '99-2000 by the following components: salaries for permanent positions, salaries for nonpermanent positions, wages for contract employees, travel expenses, advertising, telephones, communications, and hosting expenses?

Under the deputy minister's office, 1.0.2, what is the breakdown of the \$297,000 in the deputy minister's office budget for '99-2000 by the following components - and it's the same as I added under the minister's all the way through.

Under 1.0.3, support services. On this particular one, what increased efficiencies have resulted from the \$477,000 invested in '99-2000 in the minister's computer network operating system, e-mails, and file service? Will the minister provide a breakdown of the \$12.981 million in operating expenses for '99-2000 under support services for the following components: number one, finance and administration; number two, communications; three, corporate services; four, human resources services; number five, internal audit and program evaluation; number six, legal services.

8:34

What initiatives will be undertaken by human resources in '99-2000 and 2000-2001 and 2001-2002 to develop and incorporate a human resources development strategy as it pertains to the following areas: corporate and learning, leadership development and recruitment? Will the minister provide further information on the long-range succession plan that is being implemented by the ministry in '99-2000. Will the minister provide further information on the human resources strategies being developed by the registry division to, number one, explore and use interns in land titles; number two, partner with the personnel administration office to take advantage of overall government recruitment and succession planning strategies, such as target advertising and recruitment strategies; number three, explore linkage and training institutes.

Will the minister provide an update on what activities and initiatives are planned under the Let's Get Wired project in '99-2000. I don't have to explain that any further.

Will the minister provide an update on activities by finance and administration in working with other ministries to implement the integral management information system, the Imagis. Will the minister report on the efficiency achieved by having finance and administration implement versions of 6.0 of the PeopleSoft public-sector accounts receivable and billing system to help the registry division meet its business plan. What increase in efficiencies and effectiveness have been achieved by the activities of the agency and fund branch of finance and administration to reduce the number of computer applications from 23 to 10?

Will the minister provide an update on the award of excellence program '98-99. Will the minister report on progress made by human resources to revise the service plans to encourage continuous learning and implementation of the management reward strategy.

Will the minister provide an update on the ministry year 2000 compliance program. Are municipalities, housing management bodies, and registry agents year 2000 compliant at the present time? What plans are they initiating and implementing to become year 2000 compliant?

Will the minister provide an update on activities of two steering committees made up of representatives of municipalities and housing management bodies to ensure that local public bodies are prepared for implementation of the freedom of information act by October '99, which you mentioned in your delivery. Will the minister report on the increased efficiency achieved by outsourcing data business forms to provide warehousing services. How much has been saved over the past four years from outsourcing of warehouse activities? How much production of the ministry's high volume forms are outsourced to contractors, and who are these contractors?

Madam Minister, under program 2, municipal programs, will the minister provide a breakdown of the number of FTEs by subprogram for '99-2000: division support, municipal services, assessment services, financial assistance programs. Will the minister provide a breakdown of the number of FTEs under municipal programs for 2000-2001 and 2001-2002. What is the breakdown of program expenses under municipal programs for 2000-2001, which is \$114.139 million, and for 2001-2002, which is \$114.738 million, by division support, municipal services, assessment services, and financial assistance programs? Under 2.2.1, municipal services, why did the municipal services expand in its '98-99 budget by \$1.221 million, or 21.6 percent?

Will the minister report on what activities will be undertaken in '99-2000 to review current municipal/provincial relations to assist in development of a renewed partnership that will ensure that the

municipalities have the tools and flexibility to carry out their function and achieve excellence in local governance.

How can the minister assure the municipalities that the Alberta capital region governance review will result in greater opportunities for co-operation in the area of transportation, economic development, provision of community services and programs for 23 municipalities in the capital region and is not an exercise to force amalgamations? What type of regional governance model does the minister envision as being successful in the capital region: number one, the greater Vancouver region district model; number two, the San Antonio, Texas, model; number three, the greater Houston regional model? How will the Alberta capital region governance review ensure citizens' input into four stages of the process: number one, building of initial framework that includes the principles and criteria for success; number two, development of an option for regional governance that can be tested against principles and criteria for success; number three, the development of a preferred regional governance option; number four, developing of a planning guideline for implementation of programs?

What steps is the minister prepared to take to ensure as part of regional co-ordination and co-operation that municipalities in the capital region can count on equal- partnership relationships with each other and with the provincial government? How will Municipal Affairs encourage municipalities to address year 2000 issues? Will the minister provide further information on strategies to assist citizens in the development of local governance in national parks. Will the minister provide further information on initiatives to implement an excellence in local government program to encourage promoting municipalities in pursuing excellence.

What types of activities will the ministry be conducting to provide municipal administration and management advice to local government and citizens? What initiatives will the ministry be providing to support intermunicipal co-operation and self-directed dispute resolutions throughout mediation and facilitating? What initiatives is the ministry contemplating to encourage participation and communication with the local governments by strengthening Albertans' knowledge and confidence in their government?

What target or benchmark has been established in '99-2000 as it relates to the percentage of satisfied users of dispute resolution services?

Why did the Ministry of Municipal Affairs choose a 90 percent target in '99-2000 for the municipalities' participation in grant programs?

What baseline data has been collected by the department as it relates to the performance measures of the public's confidence in local government, and what does the minister see as an appropriate target for a benchmark for '99-2000?

What changes to registries and regulations beyond '99 amendments to the MGA is the ministry contemplating over the business planning cycle to support an innovative approach to govern service delivery and assessment? What type of role is the Ministry of Municipal Affairs playing in such areas as the floodplain development review and the intensive livestock operation review to improve the provision, co-ordination, and delivery of programs, policies, and services by other government ministries, agencies, and other stakeholders?

Will the minister provide additional information on the review of municipalities in financial and organizational risk. What mechanism will the ministry utilize to respond to public requests for investigation of remedial action?

How does the Ministry of Municipal Affairs intend to operationalize the performance measure of stakeholders' confidence with the consultation process for legislative and regulation changes? What

target or benchmark does the minister believe appropriate, and in what year will the measure be established?

What is the status of initiatives undertaken with the Alberta Urban Municipalities Association, the AUMA, and the Alberta Association of Municipal Districts and Counties to address intermunicipal planning issues under the MGA?

8:44

In 2.3.1, assessment services, a question I have here for you, Madam Minister, is: why did assessment services overspend its budget by \$636,000, or 13.8 percent, in '98-99? Will the minister provide an update on the status of recommendations from MLA committees, to review the work done by the industrial review committee and the farm properties review committee. Will the minister report on the activities of the assessment evaluation steering committee to develop a valuation handbook of guidelines to guide assessors to apply a consistent mass appraisal technique on a provincewide basis. What progress has been made in shopping centre stakeholders' groups to address tax allocation concerns related to the move toward market value assessment?

As you mentioned in your delivery on the educational tax, by looking at Alberta as a whole and defining it by different areas, by the fast-growth areas, I hope something can come up so you can look at fairness throughout. From my travels throughout the province I'm seeing big differences between their taxation.

Are there additional amendments to the legislation regarding taxation of manufactured homes in light of the recommendations of the manufactured housing committee?

Are there any other changes contemplated to the tax treatment of nonprofit organizations under the property tax exemption regulations in '99-2000 or 2001-20002? A question I want to add into this is: are you contemplating taxing seniors' lodging, long-term lodging and so on? Some of the rumours are out there and coming back in on that right now.

Next, how did the \$5 million grant provided to the municipalities in February '98 assist municipalities to improve their assessment program and offset the cost of moving to market value assessment? What steps is the Ministry of Municipal Affairs taking in conjunction with affected municipalities, such as Calgary and Edmonton, to mitigate the impact of the move to market value assessment, the MVA? Will the minister elaborate on the decision by the department to review the function and need for an equalization review board. Why is the need for the equalization review board being reassessed by the department? What initiatives will the ministry be taking in '99-2000 to enforce assessment standards to ensure compliance? How does the minister intend to expand the internal award-winning best practice manual to guide the profession in conducting assessments? What plan does the Ministry of Municipal Affairs have to develop an assessment handbook to ensure consistency of audits and to establish a benchmark for audits?

One of the major questions on market value is: what's happening in communities such as Grande Cache, where the value is dropping out of the marketplace considerably? Is there going to be a reassessment sometime partway through the year, or is something being looked at through the handbook?

What initiatives is the department contemplating to improve the efficiency and time line of the assessment appeal process? When will the department be conducting a farm property assessment impact study? How does the department intend to implement a process for a continual update of regulated rates and implement a review of depreciation of standards? How does the department intend to improve the system of appropriate adjustment to assessment of property values in order to prepare accurate linear assess-

ments? What plans does the department have to enhance assessment standards and procedures and provide timely advice to ensure practices and methodology are current?

THE CHAIRMAN: I hesitate to interrupt, but your time is up. That's the most questions I think I've ever heard at a subcommittee, and I'm wondering . . .

MR. GIBBONS: It's better than having too many questions in the House.

THE CHAIRMAN: I want to know: how do you want to handle this now?

MR. GIBBONS: I don't mind them being sent back to us or at the end.

THE CHAIRMAN: Your hour could be eaten up. I'm sure Iris would be delighted to answer all those questions. But do the other members wish to ask some questions first and then let Iris finish?

MR. GIBBONS: Yeah. I would suggest asking questions from this side and then having the questions answered after.

THE CHAIRMAN: Okay. Who's next then?

MR. BONNER: I'll give her a few here. I don't know if I can match Ed, though, today. A good job, Ed.

MR. GIBBONS: I was here until 9 o'clock last night. I had to get something done.

MR. BONNER: Well, you did a marvelous job.

Mr. Chairman, Madam Minister, thank you very much for this opportunity. My questions this morning will primarily deal with program 3, housing services. I see here that one of the primary concerns of the department is managing the shortage of affordable housing and the deterioration of municipal infrastructure in Alberta's booming economy. So my questions will focus on this particular area. Could you please provide us with a breakdown of the number of full-time equivalents under housing services for 1999-2000, 2000-2001, and 2001-2002? Also, what is the breakdown of expenses for housing services by the subprograms division support, housing policy and programs, financial assistance for housing, and assistance to Alberta Social Housing Corporation for 2000-2001 and 2001-2002?

Under 3.1.1, division support, why are the 1999-2000 operating expenses under division support increasing by \$644,000, or 52.6 percent, from the previous year's comparable estimate?

Under housing policy and programs, 3.2.1, what is the status and the formal terms of reference of the interdepartmental committee that has been established to review housing programs offered in Alberta? What roles and responsibilities have been established for the various ministries involved in provincial housing assistance: Municipal Affairs, Family and Social Services, Community Development, and Economic Development? Could the minister please provide further details on the implications for Albertans arising from the objectives of the government's new housing policy away from government owned and operated facilities towards housing visions created at the local level and community-based delivery of housing and support services, towards improved relationships between provincial ministries to create an effective framework of shelter and support programs which will assist

communities to address their housing issues, and towards promoting partnerships between municipalities, nonprofit groups, housing management bodies, local authorities, business, and government?

Could the minister also tell us: what is the status of the review investigating housing complaints under the Protection for Persons in Care Act? How many cases have been opened between April 1, 1998, and the present? What initiatives are being planned by or being used by Municipal Affairs in conjunction with Health as regards housing, health initiatives arising from the long-term care review? Is the Ministry of Municipal Affairs represented on the MLA steering committee?

8:54

What programs are being developed by Municipal Affairs in conjunction with Family and Social Services to provide adequate and safe shelter for children and services to persons with special needs?

Also, in your department what plans are being developed in conjunction with Community Development to prepare for the changing needs of our aging population, which is increasing somewhere in the neighbourhood of 8,000 to 10,000 per year? Will you provide further information on the review being undertaken by Municipal Affairs and Public Works respecting the design standards for the lodge upgrading programs and conduct condition analysis on remaining lodges to determine if they should be part of the program?

What initiatives are being developed in conjunction with Advanced Education and Career Development to provide skills upgrading funding to increase the self-reliance of social housing clients?

Will you please provide an update on the effectiveness of the unilateral rent supplement program, which uses private-sector accommodation and subsidizes low-income tenants? How many units were introduced in 1998-99, and how many are expected to be introduced in 1999-2000? Could you please provide, if possible, a breakdown of the units by municipality? What is the status of the private landlord rent supplement program? How many units are provided under this program, and can the minister provide a breakdown of units by municipality? What plans are being developed by the Ministry of Municipal Affairs to improve or replace the rent supplement program in co-operation with private-sector landlords and local governments. What is the status of the O'Dea review of the Calhome Properties, Metropolitan Calgary Foundation, and the Calgary Housing Authority, and when will the final report be delivered to the minister?

Is the minister aware that landlords involved in rent supplement programs throughout Alberta capital housing are renovating units while tenants remain and then increasing the rates once they have been renovated, removing them from the rent supplement program and forcing tenants to move out of these units? This, I believe, has also happened in Edmonton-Glengarry. I've had some calls on this. What steps is Municipal Affairs taking to deal with this issue?

How much money has the capital region paid in moving expenses due to renovation, and has any effort been made to recover these costs from the landlords? What is the status of the implementation of the findings of the transitional housing review, a study of long-term social housing dependency? What is the status of the pilot project by the Calgary Housing Authority to determine if correct information pertaining to income and household composition was being provided by the tenants?

What action plan has been developed by the assistant deputy minister, housing and consumer affairs division, to address priority issues in Edmonton as a result of the Edmonton Joint Planning Committee on Housing report? What is the status of the social

housing policy framework which is being developed by the AUMA, and what action will the department take in implementing that framework?

What is the status of the implementation of the report prepared by the Calgary Homeless Ad Hoc Steering Committee regarding homelessness in the city of Calgary? What is the status of the Fort McMurray coalition on housing in finding solutions, affordable accommodations for their residents? What is the status of negotiations between the federal government and the government of Alberta regarding a transfer of federal co-op housing units to Alberta? Have you been in favour of the enhanced accountability framework for co-op housing that has been developed by the co-op housing association of Canada? I know that in this transfer here those people would certainly like to be independent and not be under government control, whether it be federal or provincial.

Under the home adaptation program, 3.3.1, how many clients will be served through the program in 1999-2000? Under section 3.3.2, the senior citizen unique home program, how many clients will be served through the program in 1999-2000? Under housing registries, 3.3.3, how many clients will be served under the housing registries program in 1999-2000? Under section 3.3.4, the Métis Nation grant, how many clients will be served under this program in 1999-2000?

Moving along to another big department, 3.4.1, the assistance to the Alberta Social Housing Corporation, could you please elaborate on the plans of the Ministry of Municipal Affairs to evaluate the senior citizens' self-contained program? Could you also elaborate on the role that you envision the private sector and the nonprofit sector playing, and how can they play these roles in the development of new affordable social housing and encourage partnerships to create new housing units? What steps are other jurisdictions taking to solve their housing problems, and can these policies be adapted to an Alberta context? Do you have any innovative ways or methods that can be examined to fund new housing initiatives? Will the department still be involved in providing ongoing housing advisory services to management bodies?

What do you envision as the province's role in the management bodies, and how does it intend to implement the Auditor General's recommendation that "management bodies . . . set measurable expectations to allow comparison of actual results"? What are the terms of reference for the review, in consultation with municipalities and management bodies, of the future ownership of all provincially owned social housing properties? What option is the department exploring to change the funding of the existing portfolio so that the subsidies are provided to individuals rather than to housing units?

What steps is the department taking to encourage and facilitate the establishment of regional housing planning committees to identify local housing needs and priorities and to improve the effectiveness of the existing housing portfolio? What is the status of the review of the mandate and membership of the existing joint planning committees in both Edmonton and Calgary? What types of negotiations will have been entered into with CMHC to carry out the provincial housing policy?

Just a few more questions here. What is the time line for the implementation of the recommendations from the review of the remote housing program? What is the status of the implementation of the recommendations from the lodge assistance program review? What changes are expected to the Alberta Housing Act and regulations? What type of grant program will be developed for qualified nonprofit seniors' housing facilities to replace the grants in place of taxes?

9:04

Finally, could the minister provide an update on the certification

program and priority rating criteria developed under the lodge standards program run by the Alberta Senior Citizens Housing Association and Alberta Municipal Affairs to ensure that lodge facilities meet minimum standards?

Thank you very much, Madam Minister. Thank you, Mr. Chairman.

THE CHAIRMAN: Thank you.

Hugh, did you have some questions you'd like to ask?

MR. MacDONALD: Sure, Mr. Chairman. I'd be delighted to. Good morning, Madam Minister.

THE CHAIRMAN: It's hard to not repeat after the number of questions we got from the other two members.

MR. MacDONALD: My questions will centre around two programs, program 4 and program 5. As the consumer affairs critic, I am very interested in asking the minister some questions. This is one of the smaller areas of her ministry, but it is a significant and important one. Many Albertans rely on her for direction in consumer-related matters.

We only have to think of the price of gasoline, for instance. We always hear: it's going down the pipeline, and it takes so long to work through this pipeline system that when the price of petroleum is going down, the consumers do not realize instant price reductions at the pump. I have received many inquiries about this procedure. When there is a price increase on the international market, we see a dramatic, quick price increase also at the pump. People are very skeptical of the answers that are provided by the petroleum companies whenever this happens. This recently happened in this city. I believe it was a 4 cent a litre increase. This expensive petroleum worked its way very quickly through the pipeline system to the retailer. It didn't take three to four months. This is the sort of consumer issue that is on everyone's mind, and I would appreciate it if the minister and her capable staff could look into this and see just exactly what is going on.

I'm going to start with program 4, consumer services, page 331, division support, line reference 4.0.1. The budget was over \$1.3 million while the estimate is a little bit over \$1 million. There's a considerable difference, close to \$300,000, in this operating expense. There are other differences here, but with a gross program estimate for 1999-2000 of \$5.8 million, my question to the minister is this: how will the decrease in the operating expense budget affect the programs offered by this area? Also, why is there a projected decrease in the dedicated revenue for this area?

In the key performance measures on page 339 we're looking at "survey of consumers and businesses to indicate how safe the marketplace is." Target: "to be determined." Can the minister define for us what she means by "fair marketplace," please? What type of survey is the minister planning on doing to determine this? Will the minister commit to releasing the questions, methodology, and results of this survey in a timely manner to protect not only Alberta consumers but businesses as well?

We see another major strategy on page 337. We are going to "investigate allegations of contravention of legislation." The thing that leaps up at me is: is someone finally going to investigate how this pine shake got on the market or perhaps the remedial spray treatment? But I'll get to that a little later. "Resources will be focused on the marketplace problems that affect the most vulnerable consumers." My question again to the minister would be: who are the most vulnerable consumers? What are the marketplace problems that she has found? How are these determined? What resources will

be made available? Do these resources include funding for local police services to deal with these problems?

Now, program 4 again, consumer programs, line 4.0.2. We have to go back to the key strategies here on page 268. The first goal is to "ensure a regulatory framework is in place to support a fair marketplace." If we're going to support a fair marketplace, are there amendments? If there are, what amendments are planned for the Condominium Property Act? What mechanisms is the minister going to put in place to ensure the effective administration and enforcement of the Charitable Fund-raising Act?

We're looking also at the Alberta motor vehicle industry council. My questions there for the minister would be: who will be the members of the proposed Alberta motor vehicle industry council? How will these members be chosen? What are the terms of reference for the council? What enforcement duties will the council carry out? Which aspects of licensing will fall under the council?

I would have to ask the minister: what is the status of the consultation process for the development of the Fair Trading Act? When does the minister expect this act to be implemented? Many people approach me with questions centred around the Internet and the new Fair Trading Act. Many people who use the Internet are very concerned about what governance of Internet trading the Fair Trading Act is going to have? These people that approach me speak very, very strongly about having no restrictions as to what can and cannot come into people's homes through the Internet.

[Mr. Marz in the chair]

We discussed this in the Assembly with the hon. Member for Bonnyville-Cold Lake last year, and no one came to any real conclusions, as I recall, about what direction the province should go with this issue. I'm sure it's going to come up again. Many people want complete freedom with and on the Internet. If the minister in due time could advise us as to what she feels the Fair Trading Act can do to control or regulate the Internet, I would be delighted to hear.

We were talking a little earlier about the condominium act. I understand also that there's going to be a new Co-operative Associations Act. What issues have been raised by the co-operative sector in relation to the current Co-operative Associations Act? What changes are being proposed for the new act?

9:14

I have some more interesting questions for the minister. Who are the members of the Charitable Fund Raising Advisory Committee, and what is the status of the review by the Charitable Fund Raising Advisory Committee of the Charitable Fund-raising Act? What recommendations have been brought forward?

I realize that a lot of these questions are specific, and if the minister can respond in writing at her convenience or at her departmental staff's convenience, that's fine.

Line 4.0.2. Key strategies in the business plan, goal 2: we are talking here of promoting "fair market practices through compliance to regulation." I hope the minister has a lot more success with compliance to regulation than the Department of Labour is certainly having right now. This compliance to regulation and enforcement of it is not working out, I believe, in the Department of Labour. I'm not that familiar with Municipal Affairs, but I certainly wish you luck. With this key strategy I would like to know: what is the status of standardizing regulations concerning fair marketplace strategies with federal, provincial, or territorial jurisdictions? Can the minister provide an update on the status of the CanShare data base?

Goal 3 of the key strategies in the Municipal Affairs business

plan. Goal 3 is to "improve marketplace awareness." That's a very commendable goal, I would think, after so many homeowners in this province have been duped through the authorization and promotion of the untreated pine shake into the building code. Certainly that group is going to be a lot more cautious in the future.

My questions are to the minister. What are the "identified priorities" around marketplace awareness, and what has been done to communicate this information to the public? It is my experience that as information becomes available on crucial consumer-related issues, it is not being made available to the public. It's been available to sections of the public, whether it be business groups or selected groups, but not to the consumer. This disappoints me.

Also for the minister: who will be responsible for producing the regular enforcement bulletin around consumer protection? I have to go back to the untreated pine shake issue and I suppose the treated pine shake issue as well. The consumer was never alerted. If the minister is going to take charge of this and make sure that consumers are aware of any changes that are going to occur around the product, I would be fully in support of that. Someone certainly has to take charge of this. There was a big gap here. The window was open and the consumers were - well, whenever the window is open, they encounter a considerable draft. Also, how will this regular enforcement bulletin around consumer protection be distributed, and what is this expected to cost?

When is the next meeting of the ministers responsible for consumer affairs to occur? I certainly hope they're meeting at regular intervals. There seems to be a void in this province in consumer protection. We're very interested in a number of issues, and that's fine, but we also have to understand that consumers need our help and they need the help of the minister and her department. Can the minister provide examples to us of where Alberta is a leader in working with industry and consumers? I don't mean just industry, because we only have to look at the untreated pine shake issue to know that the government was very anxious to work with industry and not with consumers, and we all know the result of that. If she could explain to us where Alberta is a leader in working with industry and consumers, I would be grateful.

When does the minister expect to have the electronic consumer information centre fully operational? What will this venture cost? How long has the government committed funds to support this project?

Now I would like to talk a little bit about the operational review of the Credit Counseling Services of Alberta. In the operational review of the Credit Counseling Services of Alberta there are several recommendations around the filing of documents and the retention of records. What is the status of implementing these recommendations? Has a policies and procedures manual for staff been developed? Has an orientation package for new board members been developed? Have the financial policies around the signing of cheques been revised so that those with signing authority are no longer signing their own expense cheques? What policies and procedures have been developed for handling complaints about the CCSA? Has the certificate of insurance for the CCSA been submitted to Municipal Affairs?

That, Mr. Chairman, would conclude my questioning in program 4, but I also have questions in program 5, registries information and distribution. For the record, I would like to comment on how gracious the minister and her staff have been in providing information not only to myself but to many of my colleagues regarding the significant changes that have occurred in Alberta Registries.

It's an area where there are complaints and people do not feel comfortable with the changes that have occurred, and by "people" I mean constituents. They're not sure about the use of what they call

the transfer of secondary information. People are just not comfortable about this. I guess it relates back to the idea of privatization and deregulation, and this goes back long before the minister's time, I suppose, when there was another minister of the day in her department. People feel that they were not consulted about the privatization and deregulation and that maybe it went ahead a little bit too fast.

I feel that any questions that I've had, if the minister hasn't been available to provide an answer in a timely fashion, certainly her staff have been. I'm very appreciative of that, and I would like to thank her at this time.

Program 5: 5.0.1, division support. The budget here was \$172,000 and the forecast \$83,000, only 48 percent of the budget. Now, the estimate here I believe is \$170,000. We are looking at a gross program estimate for the year 1999-2000 of a little bit over \$34 million. How many of the full-time equivalents in your department are under this specific program? Why are dedicated revenues projected to fall this year?

What types of projects are funded through business development and registries agent support, 5.0.3? How will the increase in funding impact this program? Is this increase in funding a result of any of the recommendations in the PricewaterhouseCoopers study? What has been the impact of this study on the private registry offices? If registries are supposed to be privatized, why does this government continue to invest so much money?

9:24

What actions has the government taken to ensure the privacy of Albertans' personal information? I touched on this a few moments ago, Mr. Chairman, and it's an issue of significance. If in the next couple of years the minister and her officials could ease the fears of Albertans, then I would say she's doing a very, very good job, because there certainly are questions outstanding. Which policies and procedures have or will be enhanced to ensure that registries' access to information standards reflect fair information practices? What services are currently available at the private registry offices? How will the government's plan to move the paying of all traffic fines to the registries affect the workload in these offices? What impact will this have on the number of government full-time equivalents who process these payments?

Now, we have to have a look at the major strategies once again on page 337: "Implement recommendations of the Auditor General's and Privacy Commissioner's Privacy Audit." Which recommendations will the minister be implementing, and which ones is she choosing to ignore?

Customer satisfaction, registry services. This is on page 339.

Customer satisfaction with registration and licensing services provided by Registries and private sector partners which includes all delivery channels.

Well, I don't think people are that satisfied. That's at least what I hear at the Capilano Safeway. Can the minister supply copies of past surveys regarding customer satisfaction, including methodology, survey questions, and full results? When is this year's survey being done? Your target for the 1999-2000 year was a target of 90 percent. How was the 90 percent target decided? How will this year's survey be conducted? Who will be included? Who will be excluded? Could the minister release the results of the new survey, including methodology, survey questions, and full results, in a timely manner? Albertans are paying the taxes. This is a use of their tax dollar, and I think it is only fair that they be able to access the results of this survey in a timely manner.

Motor vehicles registration and licensing fees, also on page 339. A key performance measure: "Comparison of Motor Vehicles

registration and licensing fees with other Canadian jurisdictions." The minister in her opening remarks talked a little bit about this.

THE ACTING CHAIRMAN: Excuse me, hon. member. Your time has now elapsed.

MR. MacDONALD: Okay, Mr. Chairman. I shall hopefully get another opportunity because I have many more questions. At this time I thank you.

THE ACTING CHAIRMAN: We'll now go to the government side. Any questions?

MR. MacDONALD: Is our hour up?

THE ACTING CHAIRMAN: Yes, it is. At 9:33 your hour was up.

MR. MacDONALD: Time goes by when you're having fun. Thank you.

THE ACTING CHAIRMAN: That's correct. The chair recognizes Mr. Clegg.

MR. CLEGG: Well, thank you, Mr. Chairman and hon. minister. After listening to the opposition, I think they had about 300 questions. I'm not too sure, hon. minister, if you'll live long enough to answer them all, but we certainly hope so. I look forward to all the answers you're going to be giving to these hon. members.

I'm going to ask two or three general questions, hon. minister. First I'd like to ask you some questions on the Municipal 2000 sponsorship program. I thought, when we brought that program in, that we were looking at the have-not municipalities more than to make applications. I know what the purpose is and what many municipalities did with the dollars that they were getting. As you know, many municipalities lack any industrial or commercial assessment, so I thought it was going to be to help those municipalities more than generally making applications.

Secondly, when you gave your opening remarks, you mentioned special places, and it always brings a question to my mind. For years, you know, we had about five or six different forms of local government in the province of Alberta, and we did a good job by basically getting rid of improvement districts and making them all go to the MD status. I thought that was a great move. Is there any thought in your mind to in fact put special places under local municipalities? I just hate that word special areas. I guess if you're from the Peace country, you think you have the special area, but we haven't got any special areas up there in name. We have special areas, obviously, but we haven't got any named special areas. So I'd just like to hear your thoughts on whether we can form a municipality out of that. I know it is a municipality, but an MD.

Thirdly, assessment services. I think it was probably asked before, but I had to get up and get coffee, and that's the only reason I didn't hear it. Why the increase in expenditures for assessment services when in fact, in my mind, it was totally privatized?

One other thing I'd like to comment on at this time. It's always been a part of my belief that grants - I used to call them grants in lieu of taxes; now they call it grants in place of taxes. I really don't know the reason for the change in name. Not being in a government constituency for many, many years, we didn't get any government buildings, and I don't think it's really fair. My philosophy is: why don't we take that money? I think the government should pay for it. Can't we work out some kind of arrangement where we share that in lieu of taxes somehow? I think of the city of Edmonton and the

amount of dollars they get in grants in place of taxes, or grants in lieu. I'm from the old school, so I'm still going to use that term. They get millions and millions of dollars, and I'm sure the people of Edmonton are very happy to get that money. I also think they're very happy to have these people working in Edmonton and all the residences that these people have to live in.

Specifically in my area - and I represent both areas, so I'm not picking - I think the MD of Peace gets \$287,000. If the jail had been two miles west of that, the MD of Fairview would have got it. But the MD of Peace gets it. So I would like to see some sharing in that program.

9:34

I know it's not totally even expected to in fact share 100 percent, but the have municipalities are obviously going to say: well, we have to supply services. In many cases we as a government did supply all those services, so it's like a gift to those municipalities. I'd like you, hon. minister, to take a look at that whole area. Of course, it's the same old story: the haves don't want it, and the have-nots want it. So I think it's something that we can certainly look at.

With those few remarks, I did have pages of questions, but I'm sure the opposition members all had those questions. I'll be extremely happy to get all the answers from the hon. members of the opposition. Thank you, Mr. Chairman.

THE ACTING CHAIRMAN: Thank you.

Mr. Thurber.

MR. THURBER: Thank you, Mr. Chairman. Madam Minister, most of the questions I guess have been asked in a specific sense, but I have a kind of general question that I'd like to ask. I understand that your department is in the process of trying to promote municipal excellence. While I certainly agree with it, I'm just wondering what steps you've taken and what initiatives you've put in place to try and do this. It's very difficult to do this when you have that many municipalities and such diverse types of municipalities within the province. Overall I commend you for trying to do that. I know it's a very tough thing to do. Could you just give us an idea of what initiatives you have in place, what programs you have in place, and what your department is doing to do that? That would be all of my questions.

Thank you.

THE ACTING CHAIRMAN: Thank you.

Mr. Zwozdesky.

MR. ZWOZDESKY: Thank you. Good morning, members, and welcome, Madam Minister and your staff. I was very impressed with the overview you gave, Madam Minister, which shows us having positioned ourselves on so many issues and particularly so many areas of expense far below what are considered national averages in relation to other provinces. I did note also that there are a few areas where we need to work a little harder to come below.

I want to focus in on the rather robust economy that is being enjoyed throughout the province of Alberta at the moment and, according to all indications, will continue to be enjoyed. As we all know, along with this robust economy also come some challenges for government and for our citizens. One of the areas, Madam Minister, surrounds the affordable housing issue. As you're well aware, I'm enjoying co-chairing the Homelessness Task Force for the Minister of Family and Social Services and also for your department as well as for the mayor of Edmonton. In that respect, I wanted to just open by thanking you for the sudden gift of about

\$37,000, I believe it was, that you provided to our short-term needs for the homeless last December. We will have that report completed in about six to seven weeks, and we'll be happy to place it before you and other hon. members.

In the meantime, we do have an issue of people who have been identified not only as absolutely homeless, but also a concern has been expressed with respect to those who are near homeless or perhaps soon to be homeless if there isn't some accommodation made within the area of affordable housing. Now, I know that we as a province and as a government are not directly involved in building any more of these affordable housing units. I'm wondering: if we're not, then who is? Is there more of an expectation here for businesses to uptake where provincial governments have left off, or is it a question of copartnering now that we hear so much being discussed in the media and elsewhere? I'm referring specifically, I guess, to copartnering between private business interests and perhaps the municipal level of government.

[Mr. Fischer in the chair]

Along with that question, Madam Minister, comes the issue of \$1.3 million, I believe it was, of forgiveness moneys related to interest that was owed by the city of Edmonton to the province. What expectations, if any, were perhaps hoped for with respect to the application of that \$1.3 million? As most members here will know, there was quite a debate about that \$1.3 million at the civic level, and unfortunately I do not believe it went toward the homeless or the affordable housing area. But I'm wondering: is that somewhat symptomatic of other forgivenesses of moneys in the same regard with other municipalities, and is that perhaps one of the factors as to why we're seeing this crunch, I will call it, with respect to affordable housing needs not being met perhaps as well as some would hope?

The other issue in that regard, Madam Minister, that I would like to just bring to your attention - and I'm sure it's one you're aware of - is something that I experienced firsthand this past weekend in fact. I had a circumstance in my constituency where a benevolent neighbour - let's call her Irene - suddenly was visited by a family that was put on the street, for want of a better term. They were evicted from a low-cost housing area. They appealed to her, and then she appealed to me for some assistance to place this family, so we were looking for affordable housing alternatives for them. It seems that at each place they went to to apply for residency, they were told they needed money for a damage deposit. We tried to put them in touch with the social services department, who in turn told us that they have a policy on the books wherein they do not provide moneys up front for damage deposit purposes. Now, that created somewhat of a catch-22 for this family, and I'm hoping we can look into that issue.

In a nutshell, the family doesn't have the money for a deposit in order to prove application for residency, and on the other hand they can't access any money either because they don't have proof of residency for the other department. While those are sound policies and I can understand why they're there, I'm wondering how we do help a family who is caught in that catch-22 situation. Does that in fact impact your department or not? If it doesn't, I'll be happy to pursue it with other members of Executive Council.

I want to move to another area if I might, but before I do, I just wanted to again reiterate my thanks to members of your department who are working hard along with myself and co-chair Jim Taylor from the city on the Homelessness Task Force. We've had probably a dozen or more meetings, Madam Minister, for your information. We've concluded a significant tour of all the shelters now, and we have a very good handle on what the particular needs are of the

absolute homeless. So while we have that under way and under control thanks to the input of so many, we do have the other area of affordable housing to still deal with, more as a government than as a task force.

The other area I want to move to, Mr. Chairman, is with respect to the issue of registries, which among other places is reflected on page 256 of the business plan. My question there I think has been touched upon by other hon. members already. I know that we have privatized this area of registries, that there are moneys flowing in, that jobs have been created out there, and that it seems to be working reasonably well. I've had some personal experiences in that regard with a new vehicle registries office that in fact moved into my riding. It's the first where I have had a hands-on sort of role.

MR. MacDONALD: And your photograph.

9:44

MR. ZWOZDESKY: Thank you. I had a hands-on role in assisting with the opening of that office. I participated with other members, in fact, in the official opening of the Mill Creek motor vehicle office on 34th Avenue and 43rd Street.

As I look at the budget, however, I'm curious to know how it is that we continue to have the expenses that we do in relation to registries. I appreciate the revenues that are flowing in. I'm just in need of some clarification on what it is that we require expense moneys for in that area other than to receive moneys that are coming in and perhaps provide some cursory information, at least, to individuals seeking those services. But since the area of registries has been privatized, where do we see and how do we justify these expenses that are going toward that area?

One other area, Mr. Chairman, if I might, is with respect to education taxes in general. I know that the hon. minister did comment on that issue in her opening preamble, but I wouldn't mind an update, as I think many other constituents would appreciate as well, with respect to where we're at with the phasing out of the M and E taxes that used to go to education versus the sources that we now enjoy. How does your department play a role in that, what is that role, and how are we doing?

One other quick question is with respect to the MuniMall that was alluded to. I believe you'll find it on page 263. I scanned through the document, but I didn't see any extensive explanation of that. I may have missed it, Madam Minister, but I would appreciate some sort of update on that.

I'll move to another area, and that's with respect to the landlord and tenancy act, which I believe comes under your department. I want to know, Madam Minister, if there is any appreciable difference between the application of that act to general landholders and property holders in the city of Edmonton, where we are dealing with apartments and condos and that type of accommodation, versus the accommodation you would find in a mobile-home park such as I have out in Twin Parks. I have Oak Ridge and I have Maple Ridge, Twin Parks, which by the way used to be part of Strathcona, as you know, Madam Former Reeve. They have been annexed by the city of Edmonton going back to '82 or '84. It's what I call the little Sangudo of my portfolio, because I do have a strong and long place in my heart for them as an area somewhat detached.

There are questions with respect to the landlord and tenancy act that have come up recently. In fact, there's a small committee out there that has been struck to look at this. My faithful assistant, O.J. McLean, has been assisting them in turn in finding some of those answers. But I thought I would put it on the table for you and perhaps some of your staff to clarify how that act does or does not apply to trailers and/or mobile homes in these parks.

One other area I want to move to, Mr. Chairman, is with respect to municipalities and the term so-called "hidden deficits." I'm sure the hon. minister has heard this term before. I myself referred to it in my previous areas of critiquing. I'm wondering: how are our municipalities stacking up today, and what's their prognosis for the future with respect to any deficits that they may or may not be running? As I understand it, they are not allowed by law to run deficits at the municipal level. I believe I'm correct in that. But I'm not sure how they are performing under that law and whether or not the minister has any updated information.

I'll move quickly to page 274 of the government and ministry business plans. Specifically, the interministry consolidation adjustments. I think we all need a lesson, Madam Minister, in how these consolidated adjustments work. For example, on page 65, where we show expense by object in the government of Alberta fiscal plan, we see some interplay of words there. In one place it says "Intra Ministry," which I assume is inside the ministry. Is that what that is? Then in the next column it says "Inter Ministry". I'm just not sure of what that difference is, so perhaps we could have that explained at least for this member if for no one else.

Also on page 274 there's a citing of consolidated debt servicing costs. I notice that there is a significant drop in debt servicing costs between '97-98 actual numbers, which are listed as \$10,514,000, and 1998-99 forecasted expenditures, which are listed at \$9,991,000. There's a drop in debt servicing for that period of about \$523,000, which is good. Then when we move to the next comparable forecast for '98-99, which, as I said, was \$9,991,000, and compare it to the '99-2000 estimate of \$8,600,000, I see a difference of \$1,391,000 in the savings on debt servicing.

However, when we move from the 1999-2000 estimate, we see \$8,600,000 in savings, and then in the year 2000-2001 target we see \$8,550,000, which is a net difference between the two years of only \$50,000. I'm wondering: is that being extremely conservative in the estimate there to really be safe or what? Because looking at '97 through 2001, we see in recap a difference between savings specifically of \$523,000, then a difference of \$1,391,000, and suddenly a difference of only \$50,000. That figure, more or less, between \$50,000 and \$100,000, resurfaces I think for the years projected, for 2001-2002. It just seems to be a huge drop. I would think that it's probably able to be chalked up to conservative guesstimating, as it were. So I'd look forward to just some clarification on that.

My two final points very quickly, Mr. Chairman. One is with respect to the Edmonton Joint Planning Committee on Housing, which I neglected to mention under the affordable housing area. I'm wondering if there is an update that the minister can provide to us on the work that committee is doing. I know that it impacts the homeless study and report that I'm co-chairing. I believe we have a role on that committee from the Municipal Affairs end, but I don't have an update on what it's doing. Given the huge national spotlight that we're seeing on homeless issues, particularly out of Toronto and Ottawa, I think it behooves us to visit what we're doing as a city and perhaps as a province through that particular joint planning committee. They refer to it as, I think, EJPCOH for short.

My final point is with respect to the growth of our senior population. As Madam Minister is well aware, we have a significant increase through natural aging processes of our seniors in this area, one of whom is sitting across the table from me and is very proud of it. We also have an additional influx of seniors from other provinces. I was struck by the fact that in Medicine Hat alone we see a significant number of seniors moving in, particularly from B.C. and Saskatchewan. They're moving into the province of Alberta because in their words we have the best seniors' benefits programs of any

other province. In Medicine Hat seniors are actually being viewed as an industry. Now, that's pretty significant. There are tremendous strides being made by the people of Medicine Hat, particularly by the local government there and by the businesses who service the senior population needs. There is a tremendous industry burgeoning there.

I'm wondering whether the statistics that are included in your consolidated statements and elsewhere throughout the business plan adequately reflect what seems to be changing on a monthly basis in that area. I don't know where and how the projections are being based, but if we experienced an influx of 55,000 people, net migration increase, last year alone, I'm wondering what portion of that was in fact seniors and what sort of benchmark or performance indicator are we tracking there to ensure that the needs are there for the seniors or the soon-to-be seniors. It seems that that's just a huge influx, and we are expecting, I would imagine, something similar again this year and perhaps for the years to come.

I'll stop there, Mr. Chairman, but I got a lot off my chest, and I appreciate that. I know the minister will respond in due course.

9:54

THE CHAIRMAN: Okay. Thank you.

We have Richard, who would like to say a few words.

MR. MARZ: Thank you, Mr. Chairman. I'd like to assure you that I don't have nearly as much on my chest as my hon. colleague does.

One of my first comments. I'd like to commend the minister for the addition of what I see as six new key performance measures that I think will be of great assistance to you and our government in bringing forth programs that are needed, and the continuing evaluation of that will make sure that the proper types of programs are kept up to date. Many of them deal with surveys. I'm just wondering: will members of the SPCs or stakeholder groups also be included in the development of those surveys so that we get the type of information that's pertinent and not just developed within the department?

I'm particularly interested in the key performance measure of "public confidence in local government." It's a bit of an interest to me. I spent a little bit of time in that field, for a mere 17 years, as you did yourself. I was wondering also if you were planning on having some local government input into the development of that survey. There's some information that might be quite useful to them if they were also included in the development of that survey.

My only other question, Madam Minister, relates to some comments made on page 336 of the business plan under Municipal Programs, and that is the bullet that says:

Identify municipalities that wish to consider opportunities for structural change, and provide advisory and financial services to assist them in achieving this goal.

I get a lot of questions on the government's real agenda, because there's a lot of suspicion surrounding that type of statement. The suspicion is: is the government going to force amalgamations amongst smaller or less efficient municipalities? If that's not the intention, we need a very strong statement to put the minds of those jurisdictions at ease that we aren't going to venture further than working with them to help them co-operate with one another and find new solutions other than what they suspect is a possibility of forcing amalgamations.

Those are all the questions I have.

THE CHAIRMAN: Okay.

Are there any other members who would like to ask a question? If not, then, Madam Minister, you have until 10:32 to answer the questions from the government members, if you so wish.

MS EVANS: Thank you very much. At the very outset I must just draw to everybody's attention - and I cannot attest to the truth of this - that it appears that many of the questions of Her Majesty's Loyal Opposition, at least those of the hon. Member for Edmonton-Manning, were from our annual report. Because of the detail, researching absolutely every one of those, the staff do advise, could take some time. We'll try very much to address those and be fully disclosing on all of the issues that were raised.

I just have to share with you that in the support services area that was a tremendous number of details. Probably I did not prepare as well as I should have for this session. I thought it might have been more like it was last year or more focused on some of the other areas, and I have not actually confined myself to those areas in that fashion. I'm going to just start off and give some replies to what I can, and I'll try and do everything till 10:30, as you've directed.

THE CHAIRMAN: Yes. If you could, please focus on government members' questions.

MS EVANS: Oh, my own side of the House.

THE CHAIRMAN: Yes, because this is still their hour. Okay? Then we can get into the next ones. Thank you.

MS EVANS: Oh, very good. Then if I might, I'd be very pleased to come to the government members' questions and reply in this fashion.

First of all, relative to the question from the hon. Member for Dunvegan, the Municipal 2000 sponsorship program would hopefully provide some additional benefit to those municipalities. We see some increase in numbers that we'll be able to take avail of this year. I should register that the specialized municipalities are not special places but specialized - i.e., Wood Buffalo and Strathcona county - and I probably did not make that distinction clear. Their unique features have provided for them a different opportunity. I think, then, I did not reference special places as much as I did the category of specialized municipalities, and it's a category that's becoming increasingly popular for people who are looking at regional governance as an engine to drive the economy and are asking for some of those things.

An hon. member asked how we were going to promote excellence, the hon. Member for Drayton Valley-Calmr. A good part of the way we're doing that, practically speaking right now, is in all this FOIP training, all of the training on the FOIP initiative, right through from registry agents but quite specifically with our staff working with local government, as well as trying to help them be year 2000 compliant. So although there are moneys in the Municipal 2000 sponsorship, the promotion of excellence right now relates to a lot of additional staff training, which has been very time consuming and adds to our budget in a number of the areas. The other way is in taking that award-winning manual and working through with the assessors that may not have seen the light and previously not done their assessments correctly. So that's a good part of how we are handling that.

To the hon. Member for Edmonton-Mill Creek, in terms of the homeless and housing, I'm very appreciative of the work that is being done relative to the homeless both by yourself and, through you, Mr. Chairman, the other members of our government. There's been a significant amount of work, as you know, done by the hon. Member for Calgary-Bow not only on the homeless but on affordable housing, and this past weekend the Member for Calgary-Bow attended a homeless conference with the newly appointed federal minister and was looking at ways and means in which we can help.

So we're hopeful that we can not only entertain that newly appointed minister of the federal government to deal directly with homelessness and have her visit the province but look at what units are required.

As the hon. member would be aware, volunteers from our department assisted some 100 volunteers in actually walking through the streets of Edmonton recently to make sure that we get some accuracy into the counts, and when I deal with the homeless issue with my colleague from Family and Social Services as well as the people in the city of Calgary, I note that there's some lack of understanding about the numbers that have been projected in Calgary. The Edmonton Joint Planning Committee on Housing, which has been mentioned a number of times by a number of people, has been really, from my point of view, raising the question about how we deal with those that have mental problems or a history of mental illness and are in need of housing. So a lot of the articulation with that body tends to revolve around: what is housing, and what is dealing with those things that become health-related issues or aftermath of other life experiences?

**10:04**

For all members here I think it's important for me to point out that when our Premier asked for all eight ministers to get involved with the housing area, a good part of what we did at the start was inventory what we had, define the gaps or where we really need to do more - for example, assisted living, that is almost between the former predominantly lodge program and the long-term care program - and how we manage with those private-sector entrepreneurs that are coming forward and want to be involved as well. Then when we take a look at the umbrella of what each one is doing in housing, in what we believe will be in terms of actual supply of housing but also in terms of shelter allowances, we'll capture about 300,000 Albertans. In that number I include about 45,000 that are students that have needs for affordable housing as well. So it's not entirely the poor, although while you're in university getting educated, you could be identified as poor. I think most of us were.

If I may, a good part of what we're looking at is who is being served and how much is being spent. Everybody from the public works minister spending dollars to do some work with the varied housing management bodies as well as the health authorities to the minister of advanced education and the Minister of Intergovernmental and Aboriginal Affairs - all of these members are bringing together what they are currently doing, what their policy is, and whether in fact we can refine this so that there is, instead of perhaps the same style of co-ordination within eight ministries, a more effective and efficient way to handle this.

I think at that time issues that relate not only to the provision of services for the homeless - incidentally, within the last week in the Alberta Social Housing Corporation we have levered \$100,000 to two projects, one in Edmonton and one in Calgary, to assist there, again, with some of the initiatives that will in those circumstances help the homeless. Quite frankly, that will, I think, make it more easily seen in a full picture how we handle both the joint planning committee and other things in housing.

There were lots of references to the number of units that were required, and I will provide more on that. But let me just say for a moment that \$1.3 million that was returned to this city and was not used in the refinancing to effect housing underscores some of the fears that have been related to me internationally by folks in the United States who believe there is some real concern about leveraging dollars strictly to municipalities because they will simply use them, they state, for water and sewer. Now, I don't think that's what will happen here. Quite frankly, the reason I was reluctant to tell them

how they had to spend the money and make it definitive is that under the authority of the Municipal Government Act we know that those communities have authority, accountability to make determinations of their own.

Of the 44 municipalities that benefited from that refinancing, many of them would not need to provide any more affordable housing. Many were in very small communities that had absolutely no need for anything further but were grateful that that refinancing had given them a benefit right away so that it disappeared as a line to have to pay in their budgets. In fairness to all 44 municipalities, much of the financing done in the past related to higher interest types of loans, that in the refinancing that we were able to do was a cost saving not only for Alberta but was a cost saving for local Albertans, who did not want to pay any more double-digit inflation and said: can't we refinance this? So the pressure from the grass roots and the agreement from Treasury and our department to do that kind of refinancing is why there was \$1.3 million left. I would hope that in future we will see a little bit more willingness to define how dollars are used from the government in the manner of handling that.

Now, in terms of municipalities with deficits, that have been mentioned, if I could just comment. We are working with the four municipalities that still have deficits for one reason or another. A good part of that is related to the pulling out of elevators and railway tracks, where it's almost happened in an overnight situation and their budgets have been planned to be quite different. So we're working with them and working on a payback.

The intraminsty amount of \$78 million, that was mentioned, is a payment within the ministry, within the housing division, to the Alberta Social Housing Corporation. That's how we handle that. But the interministry amount is the debt interest or the payments to Treasury of about \$60 million per year for funding for Alberta Social Housing Corporation. So we have an obligation to pay to Treasury, that is our funding arm for Alberta Social Housing Corporation.

If I could just make one observation about that. We work very closely with Treasury. Treasury sits on the corporation. We have had practically monthly meetings relative to the Social Housing Corporation, and I think that there's more work that has resulted from that, especially in managing the folks that are affected.

Now, seniors were mentioned. We have, as you know, 1,600 new seniors per month coming into the province. Of the last 40,000 seniors we have been pleasantly surprised to find out that only 2,000 need any additional subsidy at all. It seems that those that are moving back are more affluent, and that's a good-news story.

I'd also comment in terms of the question on registries expenses. I will provide more detail, but a good part of what you're seeing and what wasn't originally contemplated is that when we first had people come onboard for registries, we were financing those people to come into the fold, if you will, of this government Crown/corporate partnership for the privatization, assuming the costs to be about \$10,000 a year. We have learned that the costs more realistically are reflected in an amount of \$40,000 to \$50,000 per year, not only because of the training but in making sure that their equipment articulates with our equipment as well as for some of the start-up costs, the manuals and so on. So it is not only in the development of the new hardware, which is most definitely needed; it is reflected in the work that we've been doing. We're anticipating over the next three years of our budget plan a very strong need to get more program definition as well as partners in making us as cost-effective for the consumer as possible in this privatization model.

I think it's also important for us to know that because of the FOIP legislation, there's an extensive amount of work to be done. As you know, we accepted most of the recommendations that came from the

Pricewaterhouse report. We're working on the last few of those recommendations. We've been consulting with the FOIP all-party review committee. There are still meetings going on with the insurance industry and standards that are being worked on not only with the registry association but within the context of registries themselves. So we'll provide much of that as soon as it is available. I haven't seen it yet.

The update on the phaseout of M and E. You know that in our provincial budget that was a decision of Treasury Board. It is today the announced amount of \$150 million, attributable to the forgiveness on the education side, attributable to the announcements that have been made, and to a greater extent, as we speak, of new projects coming onstream with that M and E. We were not involved as a department except in the original articulation of the policy. That is not something that has been in the purview of Municipal Affairs.

I'm just going to skip over the MuniMall question for a moment and talk about the tenancy act. As you have reflected, there are some things about the circumstances people find themselves in with landlords. The story that was recounted is a most unfortunate story, about somebody who was, by the sounds of it, literally put out in the street. We had circumstances of this in the city of Calgary, where many of the landlords did not want to be involved any longer. They could get so much more advantaged rentals from just putting it out by advertisement. I think that is one of the real challenges that I'd like to talk about when I talk about the consolidation, in response to an earlier member's question on how we're handling the consolidation of housing authorities in Calgary.

Simply put, the overall review and the commitment of our Premier through the throne speech for a new housing policy I think will address some of those issues. Our department works as much as possible in co-operation with the hon. Minister of Family and Social Services, and many of the parameters for hardship circumstances are policies that he contains. However, where people have been put on the street, obviously we would take a look at the management and the ownership of that. If you have any more detail to provide, I'd certainly be pleased to do that.

#### 10:14

I'd just make the comment that in terms of damage deposits and other comments that you've related in light of people who need affordable housing, we do have definite agreements that we would follow up and make sure as much as possible that they were contained.

The hon. Member for Olds-Didsbury-Three Hills talked about evaluation and performance measures, and I really thank him for that question. A good part of what we're doing right now with staff that have been present this morning is sending them out to find out more about the community funding framework. As you know, the cities of Calgary and Edmonton co-operated in the KPMG study. They did an extensive analysis of what they believe needs to be financed, but not too many direct needs were identified. We have staff that are now visiting communities, working with the associations to see what the bigger needs are, what we should be doing, and how we manage those. Part of that is a follow-up as well to the question that came from the infrastructure task force last year, when they said: how should communities be funded in the future? You're aware that the hon. minister of transportation is working on a disentanglement review about how roads are being looked after.

I want to just comment on the surveys. Certainly there are government surveys, but what we'd like to say is that we see our work impacting people across the province every day. Although I get fewer complaint letters, I still get some letters asking questions

about a number of things, so those kinds of questions will be addressed to our customers. New performance measures, which have an emphasis on surveys, will be using existing government surveys - and this was a learning experience for me, hon. member - that are being done on a regular basis. Last fall, for example, when we found out how people at the local level wanted to feel safe in their homes, that quality of life and safety on their streets was an important initiative, then the Minister of Justice responded with \$8 million to fight organized crime, and our Premier made that announcement. These are the kinds of things that we will be providing for them as questions.

I think your ideas about talking to the municipalities are excellent, and I will raise that with the AUMA and the AAMDC later this week at their spring convention. So I'm thankful for that and for local government involvement.

I'd like to just make a comment on your question on forcing amalgamations. Most of the people are very aware of the fact that our Premier has stated that we won't force amalgamations. I think I've stated it almost as religiously as my prayers recently on a daily basis to anybody who asks. I think when people continue to ask us, "Are you going to force amalgamations?" the reason they're asking us that is this: they are really feeling at the local level that the resources are not there for them to do the things they want to. So they are accusing us from time to time of really underresourcing them. I have to state emphatically that the resources, the 7 and a half percent increase overall to 60 percent of our budget through Health and Education, are the resources that the people of Alberta wanted us to provide there.

To provide them to local communities in the fashion that we did in the past, where we just sent out grants on a per capita basis, not based on need but just sent out dollars to municipalities - those days are going to have to be long gone while we target special-needs areas. So although there's some unhappiness from municipalities, I feel the assurance of many colleagues on our government benches that we will be working this year to develop those things that will help the municipalities to cope, and maybe this will be next-year country in the year 2000 as we get municipalities more up to date.

If I could reflect on a comment I made last Friday to the municipalities, who were continuing in this Edmonton region to ask "What's going to happen in the future with your trying to force us together?" really we're not. I think it's time for people to quit singing that song and trying to do a little fear mongering with it and to start asking what they should be doing with the time and the energy we're devoting to this.

I've had people say to me: we've got 40 co-operative agreements. That's wonderful, but down in the city of Calgary, where they only have one agreement for a number of people in a much larger area, it could be flipped as an argument that is not talking about co-operation and, rather, is talking about overlap and duplication. I really want it clearly understood that I think it's somewhat cheeky of anybody anywhere to try and detract from what government's real purpose is, and that is to restructure and make us as cost-effective as possible. By saying "Well, are you going to force amalgamations?" it's almost like getting married to someone and then on the way to the hotel suite arguing about how you're going to get a divorce. I mean it's taking yourself to the logical extent of the end of the relationship. I think what we're working very hard to do is to get people on track with their relationships.

I'm going to state this here in this fine subcommittee, if I may, Mr. Chairman. So many people will sit in these arenas and say how well they get along. Then I have reporters from their municipality come up and say that they don't get along at all. I think that's an unfortunate perception that happens in the region, because many of

the people throughout Alberta communities get along relatively well, but they don't always get along as well as they would like to think. People will come up and tell me that no, they're talking about other movies.

One other situation we find ourselves in is that it's very public that we've been doing an investigation in Olds-Didsbury. That relates to something that I would just say to the hon. member. Last year after we put a framework in legislation for administrative officers and elected officials to communicate about what was going wrong in their municipality, after that resolution came forward and saw the light of day, that we were going to put it in legislation, 150 municipalities reacted within a week. And the AAMDC reacted to say: well, we don't know why you're doing this to our administrators. What they're not seeing is what I'm seeing, where administrators are still suing their councils. I think it's time that councils were open and aboveboard about the relationships they're having with their administrators, too, and tried to get some of those things on tap.

I would share with you, Mr. Chairman, that I think a lot of the reason our government sees problems and people saying "Well, you're going to force amalgamations" is that administrators know they can sit in their comfortable pew behind the councils and prod those councils to say those things. I think very frequently a number of them are saying, "I'm applying elsewhere." I heard about that this last weekend. Four are applying elsewhere. Why? "Well, because she's going to force us together." As all of you know, that is absolutely not true. We're not forcing anybody to do anything. I think it's just a way of trying to force our government to retreat from trying to do the best things that we can in funding municipalities. I can level with you all very up front. I think we have far too many administrators that are not playing with the best interests of the electorate in mind and are forgetting that there's only one taxpayer.

As you can tell, Mr. Chairman, you gave me far too much time, because that topic excites me and I want to talk and talk and talk about it.

I think as to the rest of some of the detail that came forward, especially the very precise detail on registry savings and actual costs that would be implied, it would be useful if I provided that in print.

Those would be my comments to the members on the government side of the house.

**10:24**

**THE CHAIRMAN:** Okay. Then I guess we would like to begin our second hour. As we don't seem to have the NDP represented here, the Official Opposition then can go ahead if you have some other questions. Or would you like the minister to answer some of your questions? How would you like to do that?

**MR. GIBBONS:** No. I quite understand that with the kind of questions I started off with, they're not easy to answer right now, so written or something later is fine.

It's interesting, Madam Minister, that you're talking about eight ministers getting involved in the housing problem. I haven't traveled in Edmonton, my own city, as much as the hon. Member for Edmonton-Mill Creek, but I do know Calgary inside and out. To take the Member for Little Bow and send her around the province would be a crying shame for Calgary because she is the only hard worker that I can see working for the homeless in Calgary. So I'm kind of torn on that, because I do respect her for the amount of work she does do down there.

On the O'Dea report, similar to what I mentioned the other day about the Edmonton region, when you only go and meet with the chairs or the CEOs, you're not finding out what's happening down below. O'Dea on his travels in Calgary met as a social function

instead of as a sit-down, get-to-work type of committee, so I am concerned with what's going to come out of the O'Dea report.

The \$1.3 million to Edmonton. I wish you'd be as frank when you're talking about it as you were at the end talking about administrators in different municipalities, because I think what the Member for Edmonton-Mill Creek was alluding to was that the \$1.3 million should have been hammered in so that it went toward housing, not into whatever else they wanted to put it into.

Going through some of the items that came from the Member for Dunvegan. To add a little bit on the 2000 sponsorship, Mr. Chairman, I'm going to talk on that one, under 2.4.5, first because that was brought up a few times in there. In this particular one, why is the municipal 2000 sponsorship program being funded by the lottery funds - and I do know that you brought it up earlier, Madam Minister, that it was a good way, that you were really behind it - when the gambling summit recommendations were that lottery funds be directed to nonprofit and charitable organizations and that the lottery funds not be used to fund essential programs? Does this mean that if lottery funds, being an unstable revenue source, do not meet the estimated level because of reductions in VLT and slot machine use, the municipal 2000 sponsorship program will have to look at different funding or will have reduced funding?

Given that the intent of the municipal 2000 program was to fund innovations, including upgrades to computer systems, why was over \$500,000 in grants provided under the municipal 2000 program in 1998 to support transportation projects such as new signage on rural roads and improvements on road surfaces? Why are these transportation projects considered as being innovative under the guidelines of the program? Why are you taking on the cost burden of transportation? I thought partnerships in innovative projects was based on computers. Since when does one municipality or one constituency get \$432,000, or 4.32, of it and most of that goes into roadways instead of into computers helping their municipalities?

Those that are sitting in the room that are going to computers or partnerships between local areas, similar to what's going to happen - at a meeting I sat in up in Cold Lake, the mayors anywhere from St. Paul right to Elk Point were talking about landfills. To me, that's partnershiping. But when the Member for Dunvegan asked a question and it comes out that in his MD of Fairview they get to construct a grader shed and wash bay, well, they are getting something back in the actual fact of buildings, which was not included in the comment.

Will the minister provide further information on projects in which municipalities used funding under the program to hire consultants to provide expert services. Did the application require the applicant to show how the consultants had been chosen? Will the minister explain why some of the projects require drafting of long-term plans. How is the success of these plans evaluated? What type of monitoring is carried out by the department in assessing the effectiveness of these projects with long-term plans? Does Municipal Affairs follow up on the approved projects to make sure that the work is completed in accordance with the guidelines established under the program? Has the department ever been required to revoke a grant for noncompliance with the original application? Who will select which projects are approved and rejected? How many projects from 1998-99 were accepted after an appeal was submitted, and how many appeals were rejected?

I think when we're getting into the 2000 project, I would like to see that something is established and that something is established as mandatory, that we start putting strict guidelines out there. And if it is to municipalities or constituencies that do not have the tax base and so on and so forth, I do think there should be some criteria of comparing. I can compare and I can look at constituencies

through the list of numbers I've got, and I have very many questions on this particular item.

A question around municipal excellence. This is something that I do think falls into place in this 2000 sponsorship program and the training going into that. It's needed. The small communities and municipalities do need that to fall back on, and I think that should be what is actually brought back up.

I'm just going to flip back, Mr. Chairman, to where I ended before. I think it's very important that we do all the questions that I worked so hard not to have inside the Leg. brought forward here. This is around where I ended up before. Will the MLA committee on education property taxes be examining the following alternatives to education property taxes as outlined by the education tax review committee? This is the one I have to admit that I did FOIP for in December, and I'm very glad that I got it, even if you don't see everything in it.

Number one, a trade-off between provincial funding and education taxes on residential property; for example, municipalities might be willing to take responsibility for building new schools. Two, based on the education tax on a per capita or per student amount. Three, phase out the education property tax over a 20-year period. Four, use a flat per capita rate. Five, a circuit-breaker tax, which means to place a maximum amount that the residential property can be taxed. Six, use live assessment rather than equalized assessment for requisition purposes. Seven, phase out the education tax on residential properties. Eight, trade off the portion of the residential education tax by eliminating funding for other provincial programs. Nine, a trade-off between provincial funding for school construction and a portion of the education tax.

Now, Madam Minister, if I had all the answers and if I could give you an answer on the education tax, I would have told you a long time ago, because I think it's very important that we get to that point and solve it. When is the MLA committee expected to report to the minister, and what will be the process for implementation of recommendations from the committee? What role does the department play in the preparation of property tax revenue and education tax requisition policies in partnership with Treasury and Education? How does the minister intend to operationalize the performance measure: client satisfaction, education tax requisitioning? Which clients will be surveyed? What benchmark or target does the department intend to establish to measure the level of satisfaction? In which fiscal year will the performance measure be implemented? I do know that considering the kinds of questions we've been asking over the last few months or year, there must be an awful big outcry coming out of the Calgary corridor and the western part of the province.

10:34

What type of communication plan is being developed by Municipal Affairs in conjunction with the Department of Education to address public concerns, issues, and requests for information regarding the Alberta school foundation fund? Will the minister now release a full copy of the educational tax review report and any other reports that have been conducted on education property taxes and the local property tax system in general? I do thank your department for the copy we have that you were maybe able to release, but I do believe there's more to it that I'd like to take a look at.

Vote 2.4.1, unconditional municipal grants. This is a very important item that I keep getting inquiries on either by mail or by phone call. Municipalities throughout the province are really looking at this and looking at what kinds of answers we can find for them. Will the minister explain why there is a \$3.498 million, or

10.6 percent, discrepancy between the estimate of the unconditional municipal grants of \$36.619 million and the forecast of unconditional municipal grants of \$33.121 million for '98-99? Will the minister provide a breakdown of the \$36.619 million of unconditional MAG for '99-2000 by municipality? I do thank you for keeping it going this year considering that it was looking like it was going to end. Will the minister provide an update on plans the Department of Municipal Affairs has to phase out unconditional municipal assistance grants?

What are the terms of reference of phase 2 of the Premier's Task Force on Infrastructure as it relates to the development of stable and predictable funding arrangements for municipalities? Is phase 2 of the Premier's task force examining the option of using dedicated fuel tax and operator licence and vehicle registration fees to fund municipal transportation projects? We do get complaints on both sides on where the taxation comes from, 9 percent or 11 percent, depending on what government is, so I do believe it's a big item to look at. I do know that the mayor of Calgary is actually pressing that one quite hard.

Is phase 2 of the Premier's Task Force on Infrastructure examining the option of using development levies to fund municipal infrastructure by amendment of division 6 of the MGA? Is phase 2 of the Premier's task force examining the option of the province providing interest rate relief and principal repayment on Alberta Municipal Financing Corporation loans to municipalities in order to enhance the ability of municipalities to fund infrastructure?

As per my question last week in the House on this particular one, I also want to stress that, you know, the figures that I'm getting throughout the province on infrastructure and media implications that I should be looking at the capital region and working on that one so hard - it's very hard to substantiate considering that in Calgary, on a rating of where they feel their infrastructure is, they're sitting at a very high rate, in some cases double their concerns on infrastructure. In the case of Edmonton and Calgary they feel it is over double. So if I'm doing anything for Calgary, I'm doing it in what I'm reading and what I've been told. Calgary's infrastructure is rated on a rating form at 41 versus down to 13 on health, so you do know that they are stressing that they need more roads, they need less congestion, and they need recognition from the province that they are growing at a huge rate.

Jumping onto municipal debenture interest rebates, under 2.4.2, will the minister explain why the municipal debenture interest rebates are being reduced by \$949,000, or 5.9 percent, from last year's comparable estimate? Will the minister provide a breakdown of the \$15.068 million in municipal debenture interest rebates in '99-2000 by municipality?

Under 2.4.3, grants in place of taxes, will the minister explain why there's a \$6.154 million difference between the grants in place of taxes estimated in '98-99, which was \$38.063 million, while the forecasted grants in place of taxes in '98-99 was \$31.909 million? Will the minister provide a breakdown of the \$37.392 million in grants in place of taxes by municipality for '99-2000?

Under 2.4.4, financial support to local authorities, will the minister provide an update on the distribution of the \$10 million in funding under the regional co-ordination initiative '98-99 among the 20 municipalities that were eligible? What formula was used to allocate the \$10 million? What is the status of the Anthony Henday project as part of the north/south corridor, and how much of the \$10 million in regional co-ordination funding was used to contribute to its completion? How does the regional co-ordination initiative fit with the capital region governance review?

I'd like to just add another one in here that I forgot to write down last night. Of the \$10 million going to the Anthony Henday, was the

capital region in full co-operation or were they forced into co-operation on this particular one? I'm not rejecting \$10 million dollars for the city of Edmonton, but I do think that it's more of a pet peeve of the north/south corridor than it is actually helping - and I shouldn't say helping. It is more a fact that that's a question that has come back to me from some of the 19 regions.

Mr. Chairman, I'm just going to jump into the Municipal Government Board, which is under program 6. Under the MGB budget line, the budget was \$1,927,000; the forecast is \$2,029,000; the estimate is \$1,936,000, \$102,000 over budget, a \$9,000 increase in estimate. Now, I have some questions for the minister. How many FTEs are covered under this program? Who currently sits on the MGB? How many appeals did the MGB hear in '98-99? Is this expected to increase, decrease, or remain the same this year? How will the budget increase for the MGB affect its operation?

Then, on page 336 of the same item, under "continue to work with municipalities to advance resolution of disputes through mediation services," how will this strategy affect the workload of the MGB? Who's paying for these mediation services, and who is providing the services? Has mediation become mandatory? I'll be very honest with you. I am not trying to hold this one up. I believe that the amount of phone calls I get in from the whole province - mediation of some kind is one of the main things that I keep stressing back to your department that I wish was there that could be working on a lot of the issues.

Under Equalized Assessment Appeal the "number of equalized assessments that are successfully appealed to the Municipal Government Board (MGB)" in '98-99 was zero. The target is 1 percent. That is on page 338 of the government and lottery fund estimates, Municipal Affairs key performance measures. This is my last question on this particular one. Can the minister please explain the types of appeals included under the heading of equalized assessment? Give us the number of these appeals and when they went before the MGB in '98-99, and tell us how none of them were approved in '98-99. Why is the minister setting this year's target at 1 percent?

At this time, Mr. Chairman, I'm finished my questions. I'll pass it on to one of the other members here.

10:44

THE CHAIRMAN: Thank you. You did it in one minute under.

MR. GIBBONS: So Bill has one minute extra.

THE CHAIRMAN: So would your colleagues then like to ask any other questions, or would you like the minister to answer some?

MR. BONNER: I think Ed has indicated that he would wait for his answers.

MR. GIBBONS: I can wait for my answers if the minister is okay with that. I've got a few more questions on housing and so on.

THE CHAIRMAN: Okay. Then go ahead, you folks.

MR. BONNER: Very good then. Thank you very much. Again I want to, Madam Minister, look at program 3, housing services, and this is particularly dealing with pages 330 and 331 of the government and lottery fund estimates. We do have some comparisons of what happened with the gross comparable in 1998 and the net expense in that particular year as opposed to the estimates here for 1999-2000. Particularly in 3.1.1 with operating expenses we see an increase of \$579,000 from what was \$1,289,000 to \$1,868,000. As

well under 3.1.1, capital investment, the forecast for 1998-99 was \$451,000, and the budget was only \$296,000. When I see the net expense which is projected for the year 1999-2000, we're at \$227,000.

As well, when we look at the housing policy and programs, the budget was \$4,904,000 and the estimate was \$4,886,000, for a decrease of \$18,000, again in a very sensitive area of housing. I will be having more to say on these particular areas as well.

Rather than getting into the particulars on 3.3, financial assistance for housing, and 3.4, assistance to the Alberta Social Housing Corporation, I will include those in my questions.

So when I'm looking here at the program operating expense, for the estimate for 1999-2000 we see a total here, Madam Minister, of \$87,404,000. Could you please tell us how many full-time equivalents in your department are funded under this program? As well, what will the increase in operating expense be funding? Again I'm drawing this from line 3.1.1 on page 330. My next question is: why is the capital investment forecast so far over budget on line 3.1.1?

Continuing along, what is included under housing policy and programs, line 3.2.1. and how will the decrease in this budget affect this service area? What projects are being funded through the home adaptation program? How many projects were funded in 1998-99, and how many applications were submitted for the home adaptation program?

What types of projects are funded through the senior citizen unique home program? With the increasing number of seniors in the province, why is funding to the senior citizen unique home program, line 3.3.2, being reduced? Are there other areas where this need is being picked up or whatever?

Now then, in the government and lottery fund estimates in your key performance measures on page 339 under "Satisfaction of management bodies' clients with accommodation and services" is "Percentage of management bodies whose clients are satisfied with the quality of their accommodation and, where appropriate, the services they receive." Now I see your new measure here is 90 percent; okay? Also, under your business plan on page 265 we note that "the challenge will be to strike the right balance between the province's fiscal resources and the needs of Albertans." We notice that "the province will move away from government owned and operated facilities" and that "the government will finalize the new housing policy once the interdepartmental committee has completed its review of the housing programs offered in Alberta."

Some other questions that I will be coming to again have to do with the government and lottery fund estimates and your major strategies, which are on page 337. One of these is to "identify options to change the funding for the existing portfolio, for example, provide subsidies to individuals instead of housing units." Again, I think a very relevant question, considering that in the business plan the province intends to move "away from government owned and operated facilities," is: what is the future, then, of the Alberta Social Housing Corporation? How many management bodies currently manage social housing projects for the province? Why is the target focusing on satisfaction with 90 percent of the companies? A survey could easily be written so that the satisfactory rating from a small number of occupants translates into an overall satisfaction rating for the company. This would provide a very skewed picture of the real level of satisfaction with the management companies.

Again, particularly when we see what's happened with rental rates for our seniors as Alberta continues to prosper, the housing market certainly becomes tighter for them, and the cost of rentals is becoming more and more a hardship to a number of our seniors. How was this target of 90 percent satisfaction arrived at? If you could also note, please, Madam Minister: who will do the survey of

clients? The province, a management company, or a third party? When will this information be collected? Will the minister agree to release all the information about this survey, including the questions, methodology, and results, in a timely manner?

How does the minister plan to "enhance the effectiveness of the social housing portfolio"? This was a statement from government and lottery fund estimates, a key performance measure on page 336.

I just have a few more questions here, Madam Minister. In the 1997-98 Municipal Affairs annual report Calgary, Brooks, Fort McMurray, Cold Lake, and Grande Prairie are cited for their very low vacancy rates. What has your department done to ensure that Albertans living in these communities have access to affordable housing? What is the status of the housing needs assessment model, which is identified in the 1997-98 Municipal Affairs annual report as being completed in 1998-99?

In the 1997-98 annual report it said that 15 new cases were opened between January 5, 1998, and March 31, 1998, under the Protection for Persons in Care Act. What was the outcome of these cases? What was the total number of cases opened under this act in 1998? How many cases have been opened so far in 1999, please? What is the status on implementing the recommendations from the report, The Safety of Adults Living in Residential Care Options, from the private care and group homes working group?

My final question in this particular area will be: how has the information and suggestions collected at the housing symposium this last June translated into better housing for low-income and special housing need Albertans?

Those questions can be answered at a later date or if we do have time today, Madam Minister, if you have the pertinent information with you. Again, I thank you very, very much for your consideration.

Thank you, Mr. Chairman.

10:54

THE CHAIRMAN: Okay. Thank you.

Hugh, you had a question or two?

MR. MacDONALD: Yes. Thank you, Mr. Chairman.

THE CHAIRMAN: I might add that I hope we can create the interest for our colleague Glen Clegg over there to keep us on track a little bit.

MR. CLEGG: I'm just getting my questions ready.

THE CHAIRMAN: Go ahead.

MR. MacDONALD: Okay. I have been looking at all the key performance measures. I heard many hon. members, Madam Minister, talk about the key performance measures. One thing that I do notice: the target on 36 percent of them is "to be determined." This causes me concern if we're going to have key performance measures. I noticed in other departments, in the short time that I've been in this Assembly, that key performance measures are routinely removed, I guess, if it doesn't suit the purpose. Here we're looking at the targets that are going to be reflected, and they're "to be determined."

I think all of this should be set out well in advance. What's the sense of having, for instance, a new measure on a safe marketplace if the target that we're going after is to be determined at a later date? Consumer satisfaction or confidence in this whole process I would say would be limited.

I did have some more questions related to the motor vehicle

registration and licensing fees. You spoke earlier about comparing motor vehicle registration and licensing fees with other Canadian jurisdictions. Your target is "below national average." For the record could you tell us: where does Alberta currently sit in relation to the national average? I know you used specific examples here earlier. Why is the target set that Alberta must be below the national average? Why not offer Albertans the lowest possible price? If you could, again for the record, explain this, I would be grateful. What if the national average is lower than the rate at which the government can recover its costs and still allow its private-sector partners to make a profit?

My colleague from Edmonton-Manning also suggested - and it was an excellent suggestion - that I question you on whether there's been any resolution to the problem that private registry operators, particularly those out in Edson and Hinton, were experiencing earlier. I understand they had to send their new employees to Edmonton to receive training, and the cost of short-term housing in motels or hotels and food for their employees was expensive. I was wondering if you could update us, please, in due time as to whether localized training programs are now going on not only in Edson and Hinton but in Peace River as well, because that's another long way to come to the city. If you could answer that question also, I would be grateful.

Goal 3 in your key strategies in your business plan for the Municipal Affairs department. We're talking here about "partner with other ministries, jurisdictions and the private sector to promote innovative business opportunities." Once again I would alert you to the fact that there were some partnerships used to promote innovative business opportunities not only in the Department of Labour but in Economic Development in relation to the development of that untreated pine shake. I certainly hope you're not going to go down that road. Can you please provide an update on your consultation with other provincial ministries and municipalities regarding the development of "a framework for reviewing and assessing Order-in-Council exemption requests from foreign companies for Intensive Livestock Operations and Agri-Forestry Operations"?

Also, which traffic safety initiatives from the Department of Transportation and Utilities will be supported through the motor vehicles system?

My last question on program 5 would be: where are you planning "to market our registration technology and information management system," and where will the funds from this venture go? Will they go directly into general revenues if there are any funds?

I have some other questions that deal with the business plan. The first one has to do with the floodplain development review that I understand you're working on in co-operation with Environmental Protection. I would like to know what steps, particularly in the town of Peace River - I realize the Bennett Dam is over on the B.C. side, but there have been some questions in the last three years relating to the structural integrity of that dam and the bridge over the top of it. Peace River would be directly in the path of that. If you could explain the plans that are being developed to protect not only the people but the businesses of Peace River in this comprehensive flood risk management strategy, I would be excited to hear from you.

Long-term care review. I didn't realize that Municipal Affairs had such an active role to play in this. But this long-term care review is really becoming long term. We're looking at three years before the release of this study, and many constituents of Edmonton-Gold Bar are very, very anxious to see this study because it's an issue that is of great concern. If you could update us on your role in that, I would appreciate it.

Further on we talk about key strategies in your business plan on page 267. I would like to again compliment you on your decision to

review grants in place of taxes. One of your key strategies here is to "develop a grant program for qualifying non-profit seniors' housing facilities to replace the Grants-in-Place-of-Taxes." This is another issue that's of great importance in the constituency of Edmonton-Gold Bar. We have a number of seniors' facilities that would certainly qualify for grants in place of taxes. There's the Grace Garden Court, the Gateway Manor, the Montgomery Legion Place, The Good Samaritan, the Bethel centre on 82nd Avenue, St. Andrew's, and St. Nicholas. The residents of those facilities are very anxious to see a grant program continue. I don't know what sort of grant program you were contemplating developing, but it is necessary, because many of the residents have a very modest income level. I would be very anxious to hear from you regarding this strategy of developing a grant program for qualifying nonprofit seniors' housing facilities. Not only are the residents anxious, but the administrators of these various facilities are also anxious.

11:04

Going back to goal 1, one of your key strategies is to determine and prepare for the changing needs of an aging population, and you're going to be working with Community Development. Now, the hon. Member for Edmonton-Mill Creek spoke about this earlier, and he was talking about Medicine Hat. I believe his words were: aging as an industry. Well, I get confused whenever one government department talks about an aging population. We know that the population in this province in comparison to other provinces is relatively young. In one government speech we talk about the crisis and the fact that it is such a burden on our health care system. Then in the next government speech the next minister is talking about: well, we may have to have an Alberta-only pension plan because we have a young population that's going to be young for a long period of time, and we are not getting back from CPP what we pay into it. This confuses me. One government department states that we have a young population and it's a problem, and then the next government department states that we have an aging population and that is a problem.

So for the key strategy here, I would like to know, which is it in Municipal Affairs? I realize that eventually we're going to have a significant increase in the number of seniors, and we are certainly going to have to have affordable, safe housing. I think the government has a role to play in this, and I would encourage you to play a very active role in this. Maybe 10, 20 years down the road, whenever the hon. Member for Edmonton-Manning is getting ready to retire, there'll have to be a space for him and all the people within his age group.

You were talking here also in your key strategies about working with Advanced Education and Career Development to provide skills upgrading funding to increase self-reliance of social housing clients.

If you could then explain to us what initiatives you're proposing to use to increase self-reliance, I would be very interested in hearing this proposal, this specific proposal. Is this money going to come from a federal transfer, or is this from within the general revenue fund?

Also, the key strategy relating to reviewing the design standards for the Lodge Upgrading Program and conducting condition analyses on remaining lodges to determine if they should be part of the program with Public Works, Supply and Services.

Now, is this going to be a strategy that's going to be related to a seniors' advocate or a seniors' bill of rights? How is this going to work? Are there going to be minimum standards that you're going to incorporate across the province in this design standard? I would be very anxious to hear that.

In another key strategy related to the Protection for Persons in

Care Act you talk of reviewing with respective ministries the methods of investigating complaints under the Protection for Persons in Care Act. I would encourage you and your departmental staff to look into this. My colleague from Edmonton-Glangarry has talked at great length in the last two years about the need to have a formal complaint system that, regardless of which area of the province you're in, is the same and that people can feel safe and secure in their housing accommodations. If they do have a problem, they can feel confident coming forward that there will be no repercussions whatsoever from their complaints.

I think at the moment that's all the questions I have. There are another couple of issues that I would like to talk about, but I believe my colleague from Edmonton-Manning is very anxious to ask some questions. Mr. Chairman, at a later opportunity I have a few more questions here on the needs of an aging population and the evaluation of the senior citizens' self-contained program.

Thank you, Mr. Chairman.

THE CHAIRMAN: Did you want to go ahead, Ed?

MR. GIBBONS: Yeah, just a clarification. I said earlier on: the MLA from Little Bow. No disrespect to him, but it was the MLA for Calgary-Bow that I made a comment on.

Just a couple of little brief ones. Under special places, which we were talking about earlier on, I'd like to ask the minister: is the MD of Mackenzie considered under special places, or is it going to be? About the growth areas that were brought up and Medicine Hat being an industry, I would suggest that the Member for Olds-Didsbury-Three Hills could vouch for the fact that Olds, Didsbury, Carstairs, and all that area has a lot of seniors moving into it right now.

One item that I keep stressing - and I'm hearing from the province now talking about a three-year plan. I want to relate and put on the record that the AUMA is stressing a five-year plan now, always has. I'd like to state that it's not a bad idea.

Under hidden deficit I just want to ask the minister a couple of items. It's on my speaking points that I go around the province with. Under hidden deficit, under municipal, will you state that the history of this government has become one of the kings of downloading among governments in Alberta, dumping nearly \$400 million, or 11 percent, of its deficit on the local governments between '92 and '97. The other one under hidden deficits: provide evidence of the negative impact of provincial downloading on municipal finances. User fees at the local level have increased by 27 percent between '92 and '97, the second highest level among Canadian provinces.

With that I close, Mr. Chairman.

THE CHAIRMAN: Okay. Thank you.

Now, do we have any more opposition member questions, or are you finished?

MR. BONNER: I have finished mine, and I believe Mr. Gibbons has finished his.

THE CHAIRMAN: And Mr. Clegg had a question.

MR. CLEGG: Just a clarification, Mr. Chairman. When I made my remarks earlier, I maybe had the wrong word because I certainly didn't have anything written down. I hope we didn't get the idea that I was talking about special places, nor was I talking about these special municipalities like Wood Buffalo. I think it's absolutely the

way to go. What I was thinking about when I was making those remarks was the special areas. I think my term was - and I might have used the wrong word - special areas. I'll just stress again that I don't see why we need special areas, which we've had for years. There can be a formula worked out and put them under an MD, certainly like we did with the improvement districts. There was a transition fee in many jurisdictions of \$10 million to \$12 million to help them go from being an improvement district, where 90 percent of their administration and 90 percent of their transportation costs were paid by the province of Alberta. So that transition fee was there.

Certainly I'm a great believer in the Wood-Buffalo municipality people getting together. I'm not promoting forest amalgamation, but I just wanted to clarify my point that this is a special area, and I was wondering if the minister had any reason that we couldn't make them a municipality too.

Thank you, Mr. Chairman.

11:14

THE CHAIRMAN: Okay. So if there are no further questions, would it be in order, then, for us to move unanimous consent to end our meeting earlier than four hours?

SOME HON. MEMBERS: Agreed.

MR. MacDONALD: I disagree. I have some more questions, Mr. Chairman.

THE CHAIRMAN: You have some more questions?

MR. MacDONALD: Yes.

MS EVANS: Mr. Chairman, I don't know if I'm allowed to ask a question now on procedure.

THE CHAIRMAN: Go ahead.

MS EVANS: Am I understanding from your vote and from the hon. member of the opposition asking a question now that that is all that takes place, that I don't give any concluding remarks here?

THE CHAIRMAN: Well, I guess it's up to you. If you wish, you can give some concluding remarks.

MS EVANS: But would that be following whatever is being asked here, following 12 o'clock? Does the hon. member have the opportunity to ask questions until 12? What is the process? I just want to be really clear.

THE CHAIRMAN: We go to 12 unless we agree to go less. I asked that question because I thought everyone was finished with their questions. If you wish to answer some questions, then you can go right ahead.

MS EVANS: I have a very short response to questions, but I do want to clarify a couple of points, so when there is nothing further, at such time as you're finished or whenever you please. I'm trying to be very clear procedurally. Our procedures don't indicate, after the opposition asks questions again, when I should be providing answers if any.

THE CHAIRMAN: Well, I was of the understanding that the opposition didn't mind if you reply to them later.

Anyway, Hugh has got a question, so we will hear his questions, and then you can wind this up if you like or we can have another vote for unanimous consent. We need somebody to move the motion and so on.

Go ahead, Hugh.

MR. MacDONALD: Yes. Thank you, Mr. Chairman. If the minister would like to answer a few questions now, she's quite welcome. I have some questions I will hold off if she wishes to respond.

MS EVANS: Mr. Chairman, I'm perfectly willing to wait and conclude after I get all the questions. There were just a couple of clarifications at the end.

THE CHAIRMAN: Go ahead then, Hugh.

MR. MacDONALD: Okay. Getting back to my questions a littler earlier, we were talking about developing a grant program for qualifying nonprofit seniors' housing facilities to replace the grants in place of taxes. The time frame for another key strategy from 1999 to the year 2001 is to

develop a new vision for seniors' subsidized housing to ensure that the provincial programs meet the needs of an aging population, including an evaluation of the Senior Citizens' Self-Contained Program.

If the minister could explain that key strategy, I would be very grateful. There is duplication here, I believe, at least in my mind. I could be misled here. If she could clarify that, I would be grateful.

There was a question here I had once again in the business plan relating to information systems. We talk in here of developing an information system to support the ministry's core businesses. There's also discussion here: "to continue to improve communication with municipalities and other customers through activities like the 'Let's Get Wired' project." This project is "to expand direct connection and the sharing of electronic information." Now, am I to understand that on page 329 of the budget, line 2.4.5, Municipal 2000 sponsorship, operating expense funded by lotteries is to pay for this project? I'm very anxious to find this out. If the hon. minister could clarify that, I would be delighted.

Another key strategy - there are actually two of them here that I would like to discuss and question the minister on. The key strategy is an ongoing key strategy. It is to "modify the Corporate Registry and Vital Statistics systems to reflect feedback from service delivery partners." Examples of those are the registry agents, law firms, the Department of Health, and the public. I understand that this was a recommendation of the growth summit, and we all know that when the government decided to not have a fall session of the Legislative Assembly and have a growth summit, people looked at this with interest and said: okay; we'll give it a chance. Now, I could be inadequate in my reading, but I don't see many of the recommendations of the growth summit coming forward. Here in the minister's plans I see two, and this interests me. Of all the recommendations that came forward at the growth summit, I would like to know who developed this recommendation to "modify the Corporate Registry and Vital Statistics systems."

Also, on the following page is another of the key strategies, and this time the time frame is slightly different. It's that in this current fiscal year we are going to "work with Justice to implement the Contraventions Act." This is also a strategy that has come from the growth summit recommendations. If the minister could tell us also who developed or proposed this recommendation, I would be very interested to know. As I said before, there were a lot of recommen-

dations from the growth summit, and people were willing to give it a chance, but they feel that all their recommendations fell on deaf ears because very few of them have been implemented to date.

11:24

Now, I would like to talk about, of course, the biggest issue facing consumers in this province, and that's the issue of the untreated pine shake and the treated pine shake, which have found their way onto the homes of over 40,000 Albertans. My first question to the minister is: what is her department doing to ensure that this doesn't happen again? Is her department doing any studies to find out why there were no consumers not only on the Building Technical Council but particularly on the subcommittee that wrote the CSA standard for the untreated pine shake?

I realize that it certainly is a matter that concerns other government departments, but since she is in charge of consumer protection, I feel that her department should initiate some studies. If we can't have a public inquiry into this, then some internal review as to just how this happened. Certainly we've got to protect the consumers and ensure that it does not happen again. The issue of these remedial spray treatments that came about and the governing of these products: is the minister also taking any steps to ensure that this sort of activity does not recur? We all know that PQ-57 was a chemical that was to be used . . .

THE CHAIRMAN: If I can interrupt for just a second, Member for Edmonton-Gold Bar. I think I'm giving you an awful lot of leeway getting into pine shakes when it's under the Department of Labour. That can be brought up under the Department of Labour. That's where the legislation is.

MR. MacDONALD: Well, with all due respect, Mr. Chairman, not only am I the Labour critic; I'm the consumer and corporate affairs critic. This is an issue of consumer importance.

THE CHAIRMAN: Does it relate at all to the estimates and the financial statements under the department of consumer affairs? No.

MR. MacDONALD: Well, I believe it does, and we must ensure that this doesn't happen again.

THE CHAIRMAN: Well, my other thought is that you're looking at hypotheticals. You're trying to plan something in the future. We're supposed to be sticking to our estimates.

MR. MacDONALD: But we're going to be spending money in this fiscal year in order to ensure that this does not happen in the future; are we not?

THE CHAIRMAN: Well, let me put it this way. Can you kind of shorten it and continue as quickly as possible?

MR. MacDONALD: Okay. Thank you.

Now, the issue of PQ-57 and how it was applied to the roofs. It is not a product that can be used for that purpose. We talked earlier, Madam Minister and Mr. Chairman - and I see it in here - about alerting consumers. Here we go: a key strategy, goal 3.

Publish a regular enforcement bulletin to raise community awareness of consumer protection legislation, promote good business practices and highlight the enforcement role of the Ministry.

I stand to be corrected, but this is also a recommendation of the growth summit. Whoever came forward with this, I tip my hat to them, because it's certainly needed with this PQ-57 issue.

With Albertans' tax dollars financing the operations of your department, will you be alerting consumers in this province in the future on products such as PQ-57 which are applied in places where they should not be? This is a product that is used, I understand, in food handling, in shipment of food that is enclosed in a wooden crate, or also with guns that are being shipped to tropical countries so that there's no mold or anything on the wood. That's what its purpose is. Its purpose is not on the roofs of Alberta homeowners. Alberta homeowners were unfairly victimized by this product, and this is a real opportunity for the minister responsible for consumer affairs to lead the charge in this. I certainly hope that she will. We have to get to the bottom of how this system of application was endorsed, whether it was properly or improperly endorsed, and I would strongly encourage the minister to conduct an investigation as to why this product was allowed on the homes, on the roofs of Alberta taxpayers.

With those comments and those questions, Mr. Chairman, I believe I will have a look at this, and I will allow one of my other colleagues, if they have any questions, to come forward or maybe the minister if she has some answers.

Thank you.

THE CHAIRMAN: So are you folks finished then or not?

MR. BONNER: The Member for Edmonton-Glengarry is finished.

THE CHAIRMAN: What about the Member for Edmonton-Maning? Are you finished?

MR. GIBBONS: Yep.

THE CHAIRMAN: Okay. Thank you.

Madam Minister, if you'd like, you could go ahead and make a few windup remarks.

MS EVANS: Mr. Chairman, I would just simply state for the record that I would be pleased to bring back responses to the members' questions. I would also be pleased at some future point to talk about the level of detail that actually is contained in a number of government reports so that one does not become simply guilty of transmitting those reports without being very specific as to what, I believe, were very good questions with serious intent, but the ordering of them may leave something to be desired. If we were to simply respond by going, for example, to the e-mail address on grant programs, the list of detailed projects funded and the funding formula comes out on the Internet as per my press release.

I would indicate that where there are cross-government initiatives like the long-term care review and others that have been mentioned relative to seniors, I think it'd be very useful for us to try and provide clarification about what areas of mutual activity are concerned.

I just want to give a little heads up to the members of the opposition who have been doing quite a bit of due diligence on behalf of the city of Calgary. CMHC in January of '98 published a book on levies, fees, charges, taxation, transaction costs of housing, which I have a copy of in front of me. This will become part of the data that I am going to encourage my department to discuss. When members from the opposition take the position of the city of Calgary to challenge what the government has done in funding the municipalities, I draw their attention to the data contained in this federal government report. If you in fact looked at housing in Calgary and Edmonton in comparison one to the other, you would find that the city of Edmonton's imposition of fees and charges is more reflective

of user pay than in the city of Calgary. I have challenged developers in Calgary with the thought that on the space for 65,000 people that has been built in the city of Calgary, their development levies, fees, transactions, and all of those costs attributable to single-family detached dwellings and other dwellings - if they, in fact, were paying the city of Edmonton fees, they'd be paying \$90 million more. Ninety million more. So when people talk about the city of Calgary, there is certainly significant data to suggest that there are other factors that should be examined in the overall needs analysis.

Several questions that came up about housing and others on registries and consumers I am very anxious to answer and will give a full and complete accountability. I just want to mention that we have some significant statistics on the work that's been done in our department on protection of persons in care, and I'll be pleased to provide that report so that members have it.

I will take the advice of the hon. Member for Dunvegan and not take the opportunity now to give you a verbal response to all of the questions that I have been making notes about. He indicates to me that if I were to do that and commence at this moment, I might still be talking to my great-grandchildren. So I will say thank you for everybody's patience and will provide a written response to the questions that have been tabled here today.

THE CHAIRMAN: Okay. Thank you. In order to conclude our meeting, I need two motions. The first is to conclude our debate prior to the conclusion of our four-hour period allocated.

MR. MARZ: I would move that.

THE CHAIRMAN: Richard moved it. Can we have a seconder? Are we all in favour?

HON. MEMBERS: Agreed.

*11:34*

THE CHAIRMAN: We need someone to move that under Standing Order 56(8)(b) the designated supply subcommittee on Municipal Affairs conclude the discussion on the 1999-2000 estimates and rise and report. Denis? Someone second it. Are we all agreed?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Thank you.

[The subcommittee adjourned at 11:35 a.m.]