

## Legislative Assembly of Alberta

Title: **Wednesday, March 31, 1999** 8:00 p.m.

Date: 99/03/31

[The Deputy Speaker in the chair]

THE DEPUTY SPEAKER: Please be seated.

head: Committee of Supply

[Mr. Tannas in the chair]

THE CHAIRMAN: I'd call the Committee of Supply to order. Tonight we have the continuation of the reports of the subcommittees of supply A, B, C, and D.

head: Main Estimates 1999-2000

### Labour

THE CHAIRMAN: First on our agenda, we'd call on the hon. minister to speak for up to 20 minutes, followed by his critic for 20 minutes.

The hon. Minister of Labour.

MR. SMITH: M. le Chef, ça me fait grand plaisir de discuter ce soir les chiffres du Département du Travail et de discuter dans l'Assemblée les détails dans le livre de mon département. Merci bien pour l'opportunité, M. le Chef, et avec votre permission on peut discuter en anglais, l'autre langue officielle de l'Assemblée. Merci bien.

Mr. Chairman, it gives me great pleasure to move tonight's estimates in both official languages of the Assembly of Alberta and to recognize the importance of the Secrétariat de la Francophonie, le Membre de Bonnyville-Cold Lake, M. Denis Ducharme, et aussi de discuter, entrer dans les débats avec les membres on the Department of Labour.

Mr. Chairman, I just want to spend very few seconds replying to a couple of the members' discussions. We do want to talk about our core business. The Member for Edmonton-Riverview -- as I indicated previously there is some confusion with her remarks in the personnel administration office and the labour market department. We would encourage her to read the business plan when she does have a moment. Contrary to her comments, Mr. Chairman, Alberta is well known to have the most educated workforce in Canada and the second highest weekly earnings after tax of all the provinces. Pay equity, as she discussed, is dealt with in the Human Rights, Citizenship and Multiculturalism Act, which was the subject of a discussion and a question earlier today in question period, which I thought was answered completely, totally debunking this redneck issue that is associated with Albertans. I thought that if she would also read the minutes from *Hansard*, that are so well recorded by a capable staff with the Legislature, she'll be able to bring herself back into focus with the Labour department estimates.

Mr. Chairman, also the analysis of the effect of the Vriend decision on the workplace and workplace moral issue. Clearly this is not a core business in the Department of Labour. If it's what she expects the department to be doing, then I would again refer her to estimates.

I'm surprised, with as much of the discussion that took place and so much irrelevance, that the opposition would designate this lowly Department of Labour, this humble Department of Labour, this hardworking Department of Labour, this Department of Labour that serves its customers, its stakeholders -- I'm shocked that they

would choose us to spend four hours of such valuable, valuable legislative time.

Mr. Chairman, another answer. The Employment Standards Code clearly describes strategies for achieving compliance with ES. Again, I'd encourage everybody to spend that little extra time reading, doing that little extra work, walking that extra mile for constituents. It's something that members of this side of the House do every day. Not only do they do it every day, but they do it very, very well.

Mr. Chairman, lost time claim rate, another question by the member. Every knowledgeable person in this industry, in labour, clearly understands, uses and relies on lost time claim rates. This is a performance measure that our customers use and want, even if the Liberals don't understand it.

So, Mr. Chairman, it gives me great pleasure -- as much as I want to spend time speaking clearly about the great role the Department of Labour plays, this small \$28 million department, about how it pervades everybody's workforce and how it works with people and employment standards claims, how it in fact is responsible for the increase in the minimum wage today from \$5.40 to \$5.65, one of a three-stage increase, just the darn importance and the darn quality that this professional staff deliver to this government, to this public service, to Alberta, as much as I want to move fully into my 20 minutes, I know that there are members taking off their shirts and jackets in preparation.

Gosh, you know, I think just the attendance here tonight in the House, Mr. Chairman, indicates to me how critical it is. As much as the minister of ASRA and information technology wants to enter into debate, I know that he knows his estimates are up, and he's keenly reviewing them, as I see right now. He's reviewing his estimates, because he wants to deliver the type of service that this government is accustomed to delivering through the policy of estimates to its constituents, to the people of Alberta. It's terrifically important to serve. It's a privilege to be here. It's a privilege for me to be here representing the constituents of Calgary-Varsity, just as I know the member beside me is privileged to be a former member of the Tory rebels known as the Deep Six.

This Vegreville MLA, Mr. Chairman, has not only delivered his estimates but has supported the estimates of the Department of Labour. I thank him for his support, just as I thank all members of this Assembly, this House, particularly this side of the House, for their support of the Labour estimates. For example, when I think of the Member for Sherwood Park and I think of the long political discussions we've had and her commitment to Alberta and her support of the Department of Labour's estimates, it's with those kinds of feelings that it gives me tremendous pride to be able to deliver these estimates to this Assembly, knowing that this department, this government, are all part of a team that results . . . You know, Mr. Chairman, it's very difficult for me to say what it results in.

But I do let some of the newspapers and the polls say what they say and speak for themselves. When I see the diminution of opposition support and I see the elevation in government support, it tells me not only with respect to the Labour estimates, which are so critical this evening, but with respect to the activities of this government and the activities of each individual member that we're doing a darn good job for Albertans.

M. le Chef, en conclusion, je suis fier de servir.

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

MR. MacDONALD: Thank you, Mr. Chairman. I welcome this opportunity to add a few more comments and questions regarding

this year's \$28 million plus budget of the Department of Labour. I was disappointed, to say the least, Thursday of the other week when I was prepared to finish my questioning and unfortunately that part of the Labour estimates had been adjourned.

8:10

Now, the minister in his opening remarks was commenting about the Safety Codes Act and the delegated administrative organization surrounding it. I'm going to get to that in a minute. I and many other Albertans are very anxious to know the roles and the duties of a research and approvals officer in the Department of Labour. In which office are these particular individuals working? What exactly are their job descriptions? In the past, I don't know for this present minister but certainly for other ministers of the day, a research and approvals officer, it's apparent, was very instrumental in the authorization and promotion of the untreated pine shakes through the Department of Labour. I would like to know if this has changed, if the definition of this research and approvals officer has changed. If it has changed, what are the duties of this individual or this group of individuals now?

The minister also talked about the minimum wage and the recent increase. Well, I believe tomorrow it's going to be official. This is a good thing. Whenever all this was going on, we had the employment standards regulation review. We had it divided into the minimum wage review, and we're still waiting for the results of the second review. It's fine to increase the minimum wage but not to be enforcing the standards. Now, that is another item, and it's an item I would like to take a few minutes to address.

We increased the minimum wage. Last year whenever we were going around the province -- and I was helping the minister. I was distributing the discussion papers. I was helping the hon. Member for Calgary-Fort by distributing the discussion papers. However, we distributed all these discussion papers, and we hear back in a formal way from the hospitality industry, the restaurant industry in particular. They had a lot of reservations about increasing the minimum wage.

When we think of that and look at the chronic, repeat offenders of employment standards violations, we look at this and we wonder: are people getting around paying the minimum wage, regardless of whether it's \$4, \$5, \$6, \$7, \$8 an hour? Well, we're just going to get around this by not paying the wages. We will not pay the wages by simply ignoring the Minister of Labour and his department officials. We're going to ignore them. If the hon. Mr. Smith phones us, we're going to ignore him. We're going to ignore his deputy minister, his assistant deputy minister. We're going to ignore everybody from the Department of Labour. I'm somebody in the hospitality industry. I know the hon. minister. He's busy with other things, and I can, for instance, hire new employees, young Albertans anxious to enter the workforce for the first time. I'm going to hire three of them, and I'm going to train them for a week without pay. I know the Minister of Labour is not going to be able to protect the employees. All this is occurring.

We can increase the minimum wage. The government can increase the minimum wage. It's certainly okay, but it would also be okay if the government would enforce the regulations that govern the payment of not only the minimum wage but vacation pay, holiday pay, termination pay.

DR. MASSEY: Tell us some examples where they aren't doing this.

MR. MacDONALD: Well, there are lots of examples in the hospitality industry. I have no problem with anyone donating to a political party, but if they can donate vast sums of money, \$10,000 a year for

instance, to the Conservative fund, then, Mr. Chairman, they can afford to pay their employees their wages.

Now, we need to talk a little bit this evening about the Safety Codes Act and the delegated administrative organizations. The first delegated administrative organization that comes to mind -- and there are many in the Department of Labour. The first one we'd like to talk about is the Building Technical Council. So many Albertans, until they heard about the untreated pine shake, had not heard about the Building Technical Council. I can't understand why Albertans were not paying attention to the activities of the Building Technical Council, because these are the people that write the Alberta building code, one of the most important guidelines in the province. It's so important because the Constitution Act outlines that building codes are a provincial responsibility. Therefore, it's the responsibility of the hon. Minister of Labour and his staff. Now this is the role of the Building Technical Council.

We look at the pine shakes fiasco as an example. Some people are calling it a scandal; I'm still calling it a fiasco, particularly whenever the Minister of Labour is this close to me. It is an example of the failure of the Department of Labour's new framework in administering public safety.

We all know that in 1991 the Safety Codes Act was passed. It consolidated seven pieces of safety legislation into one act, and it came into effect for the building and fire prevention disciplines on March 30, 1994. Now, last week I ran into some people from the town of Stony Plain. One person I ran into had a home constructed in 1991, before we had this new Safety Codes Act, but we still had a building code, which I'm sad to tell all the hon. members of this Assembly was not being enforced. It wasn't being enforced. Somehow in that community, which receives 540 millimetres of annual precipitation -- this community exceeds the guidelines that are set out in the Alberta building code, but they were ignored. Now this person has a \$17,000 repair bill to the roof, and this was before the Safety Codes Act.

Now, I'm sure people are going to say: well, as soon as the Safety Codes Act came in, the inspections picked up. They were done with due diligence, but unfortunately . . .

#### **Chairman's Ruling Decorum**

THE CHAIRMAN: Sorry to interrupt you, hon. member. The clock is stopped. I just would remind those people who don't normally sit near you that while it is perfectly all right to sit near, they should not be heard. Truly the operative thing is: be seen and not heard. I would remind you of Standing Order 2. So those that are not normally seated there -- not you, hon. member, the ones that are near and offering you their help.

We'd invite the hon. Member for Edmonton-Gold Bar to continue his comments on the estimates of the Department of Labour, without the help of those who are near.

8:20

#### **Debate Continued**

MR. MacDONALD: Thank you. Now, Mr. Chairman, earlier the Minister of Labour in his opening remarks in both official languages -- and I'm very impressed with that -- regarding the estimates was talking about the delegated administrative organizations. I think the delegated administrative organizations and their development through the safety code have fundamentally changed the Department of Labour.

Since their inception in 1994 the department budget has gone from \$44 million down to the 28-plus million dollars we have now. Staff has gone from 644 to less than 400 today. In some of those staff

reductions obviously is this housing or building inspector who, he or she, was absent in Stony Plain when this house that needs this \$17,000 repair bill was constructed or the Heritage Court condominium right in Stony Plain that has untreated pine shakes on it. This was built after the delegated administrative organizations came into effect, and I assume the municipal district or the town of Stony Plain is an accredited corporation to administer the building code.

With this substantial reduction in manpower somehow this was missed. An inspector should have that building code under his or her arm as he or she enters the site and should be able to just look at the chart that the minister has graciously provided. It will say: 550 millimetres of annual precipitation. Somehow this was overlooked, and we've got to get to the bottom of this and ensure that it doesn't repeat itself. How we're going to do that I do not know, but the minister, Mr. Chairman, has the power to amend the building code at any time by order in council.

Now, I don't see anywhere in any of these line-by-line items in the estimates a note on the building code. I don't know if at some time I'm going to receive an annual report and I'm going to see that, but I would be grateful if the minister or his department officials could explain to me how much money the department spent and how much they intend to spend in the future in administering the building code. We need to have a quick turnaround on the building code. We can't wait eight or 10 months if we see something wrong, if we see a product or a building system that does not work. We can't wait that long.

The Safety Codes Act -- and I must say, I compliment the minister and his staff -- is conveniently located at the back of the building code, and that is a good place for it. It's accessible, and it's a piece of legislation that's so important. Anyone who has a building code can look at the Safety Codes Act, but we need to know where the financing for this is going to come from, Mr. Chairman. It is very, very important, because I think this is only the start. Someone across the Assembly was talking about poly-B pipe, and I certainly hope this is not another problem for Alberta homeowners. I hope it's just, as the newspapers say, an isolated event affecting one or two homeowners.

Now, I have a few other questions for the minister at this time, but one thing we have to talk about before I run out of time, Mr. Chairman, is mediation. Mediation is a \$435,000 item in this department, and we only have to realize the importance and the significant contribution of mediation to stable labour relations by following the strike of 630 employees of Weldwood in Hinton.

Now, that is the major employer in Hinton. Hinton has had a rough six months, Mr. Chairman. We've seen layoffs in the coal industry. We do not need a long-drawn-out labour dispute in a town such as Hinton. I wish the mediator that has been named, I suppose is the proper term, the very best in discussions and negotiations, because it's very, very important that these people resolve their differences, the employers and the employees, and that they get back to work and keep Alberta productive.

The mediation budget seems to me rather low. This afternoon I was out on a picket line, and I had to say to a group that had assembled there that the minister in this province -- what am I to think? We have a hundred-day strike out here at Georgia-Pacific on the east end of Edmonton, and we have a 140-day strike and counting at Dynamic Furniture Corp. in Calgary. Alberta is becoming the home of the hundred-day strike. Traditionally we think of workers as being surly, and they're going to work to rule, but in this province it's the Minister of Labour that works to rule, not the workers. We have these long-drawn-out strikes that are divisive to the community. These were my comments this afternoon at Georgia-Pacific.

The mediation budget in here must be blown already with these two long strikes. We keep going back and forth to the Labour Relations Board. Back and forth, back and forth. Things do not seem to be working out for these workers. It doesn't matter whether they're in Edmonton or in Calgary. We have to learn by our mistakes, and we've made some mistakes here in the past with Safeway. We've made a lot of mistakes, Mr. Chairman, in this province with the direction of our labour relations. We've split entire communities. The strikes may be over, but the communities are still divided, and I don't think this mediation budget is sufficient because of what I've encountered in my two short years as labour critic.

I have had a lot of opportunity to get dust on my shoes walking back and forth talking to people on picket lines. It is something that I would like to see stopped. We have teachers in Calgary; we have health care workers all over the province. Hopefully mediation is going to be able to work. I believe the minister may have touched on something last year when in the capital region here we had a few strikes. The minister and, I believe, the Premier at the time organized a meeting, and they worked out their differences. I would encourage the minister to take this on a provincewide basis with all the regional health authorities. Get them all involved, and ensure that there's no disruption in health care delivery or there are no classrooms that will be disrupted in Calgary. We can't have a repeat of the 1980 situation that occurred in Calgary. Some students I believe to this day have not recovered from that strike.

8:30

Now, Mr. Chairman, we need to talk a little bit about the employment standards budget. There seems to be a juggling of money here. I'm looking here at the estimates, line 3.3.4 and line 3.3.5, and there's a significant difference between northern regional services and southern regional services. In the past they were equal in their budgets. Now there is perhaps a 15 percent difference in their budgets. I would like the minister to explain this to me: why the higher budget in the northern region than in the southern region?

With those questions and those remarks, Mr. Chairman, I will take my seat, and I will welcome the minister's response. Thank you.

THE CHAIRMAN: After considering the business plan and proposed estimates for the Department of Labour, are you ready for the vote?

HON. MEMBERS: Agreed.

Agreed to:  
Operating Expense and Capital Investment \$28,989,000

THE CHAIRMAN: Shall the vote be reported? Are you agreed?

SOME HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed?

SOME HON. MEMBERS: No.

THE CHAIRMAN: Carried.

#### **Agriculture, Food and Rural Development**

THE CHAIRMAN: The hon. Minister of Agriculture, Food and Rural Development.

MR. STELMACH: Well, thank you, Mr. Chairman. The other evening in room 512 we had a pretty good discussion on the ag budgets, and there were a fair number of questions raised. I think that with respect to questions raised by Calgary-Buffalo, I did give you a letter with respect to the Farmers' Advocate, but of course there's more detail to follow on some of the other questions. We've been really busy this week in the department, but we're putting that all together and will deliver the full documentation in a couple of days.

With respect to the issue raised about environmentally sustainable agriculture, there was a question as to what it was and the purpose of it. The specifics of that particular budget line can be broken down into a number of key areas, but part of the purpose of ESA is the soil quality monitoring, water quality research projects, process-based projects. We also are sponsoring an environmental chair at the University of Alberta.

That same evening we had the chance to talk about some of the pressures in agriculture -- low commodity prices and also the lack of good growing conditions in a fairly significant part of the province -- and how our current programs support the agricultural community.

I would like to say at this particular time that we still have not signed the agreement with the federal government with respect to the national program, and it looks like we won't be doing it this week. We'll have to probably wait another week because they're making some significant changes almost weekly to the agreement. Some of them we can agree to, and there are others that we have difficulty with.

I know that the members opposite would want a few more minutes to perhaps ask questions with respect to the departmental budget. I'd certainly give them every opportunity. Mr. Chairman, I'll just take my place and allow the other members to make any comments.

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

MR. GIBBONS: Thank you, Mr. Chairman. First, it's a real pleasure to stand here tonight, having listened to the Minister of Agriculture, Food and Rural Development up in 512 last week, and secondly, representing my colleague, the very capable critic of this department, the Member for Lethbridge-East. I'd like to thank the minister and his staff from the department of agriculture again for the answers and the facts that he gave to us that night up in 512, which is a room that I don't really desire going into.

The main thing that I want to ask about tonight and that wasn't brought up the other day is around the major impact of the changes happening in the hon. minister's department. What has been written about it is that the minister has been able to do something no other minister of agriculture has successfully attempted over the past three decades in Alberta, and that is to initiate the major reorganization of his ministry. The impact of the changes will affect customers, primary producers, and food processing. Now, Mr. Minister, I'd like maybe some more knowledge on that, and hopefully you're listening so you can stand up afterwards and give me information or send it through afterwards. Being in effect April 26, I hope that this is an item that will produce better things for your department.

There are a few things I want to ask around the bar graph that I'm reading right now, and that is: what does the technical service director do? Under that is special projects. Have you filled the vacancy for the northern region or the Peace River region yet?

With Alberta being second to Ontario and also that Alberta will hopefully soon surpass Ontario in the growth of our products, I do hope that this change in the department will help considerably.

I'd like to thank the fact that the canola crop was the savior cash crop for the farmers up until Christmas 1998. I think back to when

canola was brought in 30 years ago, when my father and I were farming together, and I kept on saying: let's get into the swing of it and start putting in canola. The only answer I ever got back from him was: it's a weed. After he passed away and I took over and I started to produce, it was the cash crop for myself, and as my renters pay me now on a cash basis on some and in crop sharing on others, I'm quite glad that they do put canola in.

I listened to the minister concerning the municipal industrial wastewater infrastructure program for agriculture processing. It's interesting, as I read and I followed the newspaper clippings in southern Alberta, how that one came about. For those MLAs that are surrounding Edmonton and those of us in Edmonton, if we would have caught on that Mr. McCain can play tough games, we would have maybe still had jobs for 800 to 1,100 people here. If Edmonton wouldn't have been so narrow-minded in wanting to keep it here -- maybe it could have been in Vegreville or Camrose or Stony Plain -- maybe we would have still had those jobs.

It's very interesting how the southern MLAs caught on that Mr. McCain can play games, and it's interesting that he's possibly going to have some of this grant money going toward him as well as Lamb-Weston got the benefit of the start of it. I don't know how many people know the political games played in that, but I still believe that we would have had McCain still here. We would have had a pork producer slaughterhouse here if we would have been able to play the game.

Isn't it interesting that Alberta has cut -- and this is a comment on some of the things I've been reading -- the overall budget of this department by \$12 million, the same amount that the feds transfer. It seems like one of these items that's similar to what happens with municipalities. I'm going to sit here and I'm going to blame the feds too. They download; the province downloads. There's always somebody at the bottom that actually has to take up the slack.

There are a few questions that I'm not sure, by listening in 512 and reading some of the stuff in *Hansard*, were ever answered, and that is around farm income. There is \$62 million in 1999-2000, a 77 percent increase overall from the '98-99 budget due to \$25.6 million for development funding. This is a new line item that did not appear in the '98-99 budget. Is this the way the government is incorporating federal funding money that is supplied for farm income disaster? Just a question, Mr. Minister. Maybe I missed something in interpreting the communications going on up there. I know that my colleague the Member for Lethbridge-East carried the conversation that night. Why would I interrupt him? He knows his stuff so well, and he can stand up and speak without notes.

8:40

Is this the way the government is incorporating federal funding money that is supplied for the farm income disaster? That's the main thing I want to know. What does development funding include? I would like some specifics around that.

Another item was support for production, processing, and marketing. The total budget increased by \$5 million to \$42.7 million. This is due to a \$5 million addition of funds from lotteries. That is on line 3.4.6.

One of the items was 3.2.4, animal health laboratories. The dedicated revenue for '98-99 was estimated at \$24,000. However, the forecast was \$99,000. Why is the revenue four times the amount of the estimate, and why is the revenue expected to decline back to the former estimate of \$24,000 by '99-2000?

Around line 3.2.7, sheep and diversified livestock, I note the increase in dedicated revenue of \$124,000, almost twice the amount received last year. What changes have occurred to increase the revenue? I'm not sure, Mr. Minister, if those kinds of questions

have been answered, and I am sorry if I have missed that by reading it. I thought I went through it quite thoroughly.

One last one in there, rural development: \$5 million of new money from lotteries. How will this be allocated? Will it go to some of the above programs? How are the priorities decided?

Now, I follow with quite good interest the million-dollar dispute over the privatizing scheme, and that is that the privatization of the provincial livestock brands inspection last year has likely cost not-for-profit corporations and now runs the service at \$8.2 million. LIS claims that the Department of Agriculture, Food and Rural Development has accounted for only \$1.4 million of the \$8.2 million of their operation of the brand inspection services industry project. The group labels the government's reluctance to turn over the money as a tax grab. I don't think by going to the AAMD and C today that you cannot work with these people. It sounds like it's an item that I hope you have followed through with and are proceeding with something more on it.

At the AAMD and C today there were a few questions on farm income and so on. I'm wondering about the Peace River people, considering that last year we came in here and we asked for help for them and interest free loans for them. Thanks to you, you worked with them. That was after they had had three years of solid rain. Last year I was up there and driving through, and the poor people had no rain. You could actually see right down as if there was nothing in between the seeds. Are they coming back again, or is this something else that we'll have to look at?

I did make notes about one question. It was at the AAMD and C, and you and the minister of environment talked about the elks, the 1,600 elks in a particular area where it could only sustain 600. You say that in July of 1999 there's going to be something coming out on the hay protection for the farmers and so on. That is very interesting, because I do know that just the amount of deer that has actually -- the population in central Alberta is so much higher that my renters are complaining about the amount that is in there, especially since I select logged my place a few years ago. It opens up the trees and so on that much more.

Just to go on. Hopefully we can touch on a couple of other things, and I'm not going to try to keep to a contest over here of 20 minutes. Under Alberta Agricultural Research Institute, a total budget of \$1 million. Here we see that a contribution is gained from lotteries, and it's \$8 million. Like what I said in the department that I am the critic of, Municipal Affairs, I wonder what will happen when lotteries dry up. I know that lottery money went into the general revenue, and I did go down to Medicine Hat last year, and I did listen to the individuals coming from all over Alberta saying: listen; don't put it in general revenue; put it in the lottery fund, and let's see where it goes to. I'd buy into that. But there's an awful lot of money, and I think that this government -- and even if we were here ourselves, we'd have to thank God for some things like that to cover a few of our debts too. But I do wonder why we're taking so much out of lotteries.

Now, one of the questions I want to ask and maybe I can get answers around this. Olds College is preparing to launch a centre for innovations. A few people in our family have gone through there in agriculture. I'm wondering: are they as good a college as they've always been and is this to make them that much more, like, innovated into the system so that a lot of young agricultural people will want to go there?

I understand that the project has a five-year budget and a new \$17 million centre, comprised of \$11 million from various government departments. Now, when I'm listening to you upstairs and reading about these things, there seems to be a lot of innovation that's actually happening between the feds and the province. As a

westerner I think that if we can work with them -- they are the government -- to make sure that this kind of money flows back and forth instead of digging in our heels and blaming everybody, I commend you if this is what your department is doing. It is helping young Albertans to be educated in our agriculture system. It is a very important part of our province, and it's a huge industry that we have to keep and sustain and so on.

I look at when you have different appointments of people on to items like the Alberta agricultural producing council. I read, you know, in different reports of people being put on to them and so on. I'd like to know how these individuals are -- do they submit their names? Are their names submitted? How does the process of picking them happen? I'm looking at George Schoepp and John Richter. They've been reappointed. How long have they been there, and what areas of the province do they represent?

I feel that as we press the issue of talking around this committee and so on, I'm not here to take up the full 20 minutes, and most times I won't stand and speak unless there's something that I want to speak about. So at this particular time I would like to submit an amendment.

Mr. Gibbons moved on behalf of Dr. Nicol:

Be it resolved that the estimates for the standing policy committee on agriculture and rural development under reference 1.0.2 of the 1999-2000 estimates of the Department of Agriculture, Food and Rural Development be reduced by \$115,000 so that the operating expense and capital investment to be voted is \$368,390,000.

8:50

THE CHAIRMAN: Okay.

We have five minutes remaining. The hon. minister of agriculture.

MR. STELMACH: Thank you, Mr. Chairman. I would like to express a bit of disappointment with the amendment that has been moved. The standing policy committee on agriculture and rural development serves an extremely, extremely valuable purpose. This is one opportunity for a number of members of the agriculture community, the food processors, anybody that's got a concern with respect to agriculture and all of those issues around a very important industry in the province of Alberta, to come forward and present their case to the standing policy.

One of the things that's so important is that never before was there an opportunity on such a regular basis to present their views. Many of those presentations have been really fundamental in building our policies in agriculture. I'll give you one example, an issue dealing with safety nets. That's one area that farmers from different parts of the province were able to approach and, of course, give their ideas and share them with us, and we used those ideas in building what I think is the most comprehensive farm safety package there is in Canada, especially at this time. Because of the opportunity to come forward and present their views, I can tell you that we are the only province in Canada that is dealing with a crisis situation. We're printing cheques today. If you compare us to Saskatchewan, Manitoba, Ontario, and the other provinces, other than British Columbia, they're going to be waiting at least until November before they get any kind of support from this program. Not only has the agreement not been signed, but they also have to work with the various accounting firms in those provinces to bring their accounting firms up to speed and also spend some time in information exchange with a number of the farm groups so that the information gets out to everyone.

So far to date we have sent out on behalf of the farm income disaster program a little bit more than \$5 million to farmers. At this

time last year we had paid out about \$500,000. Last year's average claim was approximately \$11,000. So far this year -- we're tracking claims -- the average payout is about \$39,000. That's the kind of hurt that's occurring in other provinces, but here we have a system where we're getting support out to those farmers.

I have to remind everyone here that before they qualify for the program, they have to lose 30 percent of their margin before anything is triggered. Not many people can take a 50 percent loss in margin. We're not talking revenue. We're talking about margin, which is very significant. We're able to assist them, and I suspect the program will go a long way in sustaining the industry through some very difficult times.

There is no other industry in the world that competes with the kind of subsidies that agriculture does: \$50 or \$55 a tonne on wheat, \$90 a tonne on barley, at least \$140 a tonne on dehy alfalfa. These are direct subsidies from Europe and also from our friends down south.

So, getting back to the amendment, here's one very important process that the Premier made possible in his restructuring in December of 1992: to provide for standing policy committees. People are quite comfortable in appearing before the committee and presenting their views.

The other point I want to make, a very important one, is that we invited my critic from across the way to sit in on one standing policy committee meeting, where we actually shared information on how we'll be proceeding with the registration of water wells in the province of Alberta, to ensure that the hon. member has that information available so that in case there are questions raised, he's able to answer them.

So with that, I'll take my chair.

THE CHAIRMAN: The Committee of Supply is reminded that we have an amendment to vote on first before we vote on the estimates. The amendment was moved by the hon. Member for Edmonton-Manning on behalf of his colleague the hon. Member for Lethbridge-East: reducing the estimates of the Department of Agriculture, Food and Rural Development under item 1.0.2 by \$115,000.

[Motion on amendment lost]

THE CHAIRMAN: After considering the business plan and proposed estimates for the Department of Agriculture, Food and Rural Development, are you ready for the vote?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

Agreed to:  
Operating and Capital Expenditures                      \$368,505,000

THE CHAIRMAN: Shall the vote be reported? Are you agreed?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

### **Economic Development**

THE CHAIRMAN: To begin, we'll call on the Minister of Economic Development.

MRS. NELSON: Thank you, Mr. Chairman. As the Assembly is aware, earlier today I filed and tabled the answers to the questions

from the other evening, on March 23, when we discussed the main estimates of the ministry. I also filed in addition to that the answers to over 30 questions from the Member for Edmonton-Rutherford so that he would have those. He handed those to me during the deliberations.

I appreciate the comments that have come from the opposition insofar as the estimates go, and I would be pleased to hear if there are any further questions this evening. I would undertake to follow up and answer those questions in written form as quickly as possible. Otherwise, Mr. Chairman, I would like to put forward and move the estimates of the Department of Economic Development as presented.

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

DR. MASSEY: Thanks, Mr. Chairman. I'm pleased to have an opportunity to address for my first time the estimates of the Department of Economic Development and the branches that are included within that department. I have to first begin with an apology to the minister. I haven't had a chance to read the answers to the questions that she responded to for the Member for Edmonton-Rutherford, so if I duplicate some of the questions, I apologize for that.

I wanted to start, if I could, with some remarks that the Auditor General made. In the Auditor General's discussion of client satisfaction surveys and performance measures the Auditor General in the last report took the opportunity to address for some pages in the Executive Council section of the report client satisfaction surveys and survey methods and methods of reporting performance measures. Beginning on page 25 of the Executive Council the Auditor General says that these remarks apply to all the ministries in terms of the performance measures that they write and the client satisfaction surveys that they conduct.

9:00

The Auditor General starts with a warning, or not a warning but a caution I think. He states -- let me back up just a minute. He talks about the great advances that have been made in putting together business plans since these business plans were introduced as part of the estimates process. He applauds that, and I think we all do. We get so much more information now that there are business plans that accompany the estimates, information we never had access to before that helps us understand. But he goes on to say that this is a work in progress and that we're only so far along the way. The caution he has is that "specifically, there is a risk satisfaction surveys may be used to manipulate or 'window-dress' reported performance." That is, ministries could choose to select those performance measures to conduct those surveys that would make the department look successful and to maybe disregard some of the other measures that the Auditor General would deem to be important. He makes a point of talking about making a difference between qualitative measures, quantity and quality measures.

The plea running through his remarks -- not just in Executive Council; as I said, that applies to all other departments -- is that there be more quality economic indicators. When you apply that to the Department of Economic Development and look at the measures we find in the business plan, I think their title here is Macro-Economic Growth Indicators, and that's exactly what they are. My question to the minister would be: what other measures are there in light of the Auditor General's recommendations? What other measures is the department considering, if any?

If you look, for instance, at the very first one, a measure we all watch rather carefully, that's the job growth in the province. It's an important measurement, and I know that the ministry must keep their eye on that constantly. It gives us an indication of employment and

the increase or the percentage of change, but we don't have any measure of the kinds of jobs, the kind of employment that's been created. It's been a little while since I read it, but there's some mention in the minister's business plan of knowledge-based industries being industries that the department is interested in reporting on. It's a huge, huge industry, it's a growing industry, and it's a natural industry for Alberta.

We're fortunate enough, for instance, to have Edmonton named a smart city. You would think that there might be, if there isn't already, some consideration of looking at some of the quality measures in terms of: what is the nature of that employment growth? Is it in service jobs? Is it in those knowledge-based, those knowledge-drenched industries that we obviously want to promote as a province, or is it elsewhere? Are they permanent jobs, or are they part-time? What's the nature of the employment?

So I think, going back to the Auditor General's recommendation, that there's an opportunity under the measurements like job growth to report some of those statistics. I'm not certain that they aren't already available in some other forums, and it wouldn't be a matter of the department having to generate them themselves.

Among the other points the Auditor General makes. When we see a performance measure such as job growth, manufacturing and service industry investment, manufacturing and service industry exports and shipments, and Alberta tourism, the Auditor General makes the case that the validity and the reliability of those measures should at some place in the business plan be indicated. That is, if they're going to be truly public performance measures that people can have confidence in, there should be a description. He lays out some of the key aspects of the method of reporting and the results, and he indicates the population that was surveyed, the kind of sampling if sampling is used, the sources of information, where that information comes from, and that somewhere that should be indicated.

With the confidence level in cases where we have opinion or we have client satisfaction measures, there should be some indication of the confidence levels of the results that are being reported so that again the reader knows within which limits the item is believable. A description of some of the scales, some of the technical parts of the measure, and also he talks about benchmarks -- external benchmarks, comparative benchmarks -- and establishing them.

So I think if you go through the Auditor General's recommendations and apply them to the Department of Economic Development, the Auditor General would be looking for an expansion of the performance measures that we find here, and that expansion would be in the area of quality measures rather than just quantities.

I'd like to move then -- and again my apologies to the minister; I haven't read her responses. The Auditor General did ask specifically about the Alberta Opportunity Company and indicated that the personnel in that department -- that it was an aging department. His concern was that there wasn't a human resource plan in place in terms of making sure that there were going to be people in place to take over when retirements took place, that there would be a good transition to new people. I think his recommendation within the Auditor General's report is in terms of having a resource plan put in place to make sure that the people that are going to be needed in the department are available when they're needed and that will take into account the kinds of changes that are taking place.

He also made some other comments in terms of the Alberta Opportunity Company, and I'd ask the minister if they have been addressed. The Auditor General indicated that there is some obligation on the part of the AOC that if there are going to be higher risk loans, there should be some justification. If they're going to give higher risk loans, there should be some rationale in terms of

how the industries or the companies that are receiving those higher risk loans are going to be of benefit to Albertans. I'm not sure whether the minister has had an opportunity to address that recommendation, but I'd be interested in knowing whether the Alberta Opportunity Company has in fact been able to do that. It seems a logical kind of request that if there's going to be a risk to taxpayers' money, the benefits should also be abundantly clear.

A couple of other comments under the branches. He talks about two of the branches, the forest products development branch and the business immigration branch, as being entities -- his recommendation is:

that the Department of Economic Development obtain systematic and objective feedback to determine the value and utility of services provided.

He goes on to mention those two branches, asks for a business plan, and indicates in the case of the forest products development branch that at the time of the writing of the report and when he visited that branch, they didn't "have [any] information on whether the services it provides meets the needs of existing and potential investors" or whether it met the needs of the forest industry. There didn't seem to be any information "on whether the branch serves business in a way that is effective, consistent," and in a way that business saw as being mutually beneficial. Specifically, he recommended that there be a survey "of industry and other stakeholders to determine their requirements . . . or the value of its research and publications." I wonder if that's actually been done since those recommendations have been made or if it's something that's under way.

#### 9:10

The other branch, of course, that the Auditor General addressed was the business immigration branch. He also indicated that in his visit to that branch he didn't have any indication "whether its services are essential, whether business immigrants benefited from its services," or whether business immigrants would have been successful and immigrated without the assistance of the branch. So there seemed to be a paucity of information available in terms of the success of the branch and how that branch was performing.

There are a couple of other recommendations that the Auditor General made. One was in reference to the lottery fund, and I expect this has been answered. The Auditor General asked for some accountability from the ministries that benefit from lottery funds, and he argued for an "accountability framework in two respects." He indicates that accountability from the beneficiaries "should be placed [into] the appropriate ministry" and then those ministries "should be required to report results in terms of expectations" and benefits of the spending of those dollars. The question -- and I'm sure the minister has addressed it, but I'd be interested in the answer in terms of the Auditor General's report asking for a framework and some accountability back from those ministries or departments that actually benefit from and use lottery funds.

With those questions, Mr. Chairman, I'd like to move an amendment if I might.

Dr. Massey moved on behalf of Dr. Nicol:

Be it resolved that the estimates for the standing policy committee on jobs and economy under reference 1.0.5 of the 1999-2000 estimates of the Department of Economic Development be reduced by \$87,000 so that the operating expense and capital investment to be voted is \$74,832,000.

That would take out the money for the standing policy committee, which is viewed as a caucus committee rather than a committee of government.

THE CHAIRMAN: We have just less than 2 and a half minutes if the hon. minister would like to comment on this amendment. Okay. No comment on the amendment.

[Motion on amendment lost]

THE CHAIRMAN: No further speakers then? After considering the business plan and proposed estimates for the Department of Economic Development, are you ready for the vote?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

Agreed to:

Operating expense and capital investment	\$74,919,000
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THE CHAIRMAN: Shall the vote be reported? Are you agreed?

SOME HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed?

SOME HON. MEMBERS: No.

THE CHAIRMAN: Carried.

### Treasury

THE CHAIRMAN: We'll call upon the hon. Provincial Treasurer.

MR. DAY: Mr. Chairman, I appreciate the good questions that we received from opposition members. I was able to respond to some of those; there are still a number that we're working on. Actually each year there are one or two suggestions, sometimes three or four that come forward from the opposition that help us in improving our budget reporting process, and I appreciate when those times arise. I think Albertans are well served by that.

I think the rest of the budget that we've done speaks for itself very clearly. We'll look for ongoing analysis and the ongoing good reaction that we're getting from around the province and, as a matter of fact, from a variety of areas.

Thanks, Mr. Chairman.

THE CHAIRMAN: The hon. Member for Calgary-Buffalo.

MR. DICKSON: Thank you very much, Mr. Chairman. I was reviewing some of those good questions alluded to a moment ago that were raised on March 22, 1999, when my colleagues raised many of those questions, colleagues from Edmonton-Glenora, Edmonton-Mill Woods, Edmonton-Gold Bar, Edmonton-Glengarry.

When I looked at page A24 from March 22, 1999, I in fact saw the observation from the Provincial Treasurer: "In the last couple of years, as I've stood here in estimates, I've somewhat chided the opposition for not having enough questions." Then he went on to say:

That seems to have changed somewhat. There is quite a significant list here of questions, which my officials and myself will be delighted to start looking into shortly after 10 o'clock. We'll get on it right away and have as many of those answered for you by 9 o'clock tomorrow morning and over the subsequent weeks.

He indicated that he was going to "follow up on the question about the businesses using e-commerce and what percentage that is of the whole" and concluded by saying, "We'll follow up on the remainder of these questions."

Mr. Chairman, the Provincial Treasurer tabled a response I thought on March 31, and today I was anxious to see sessional paper 424/99. I have to say that I was a bit surprised, because what I found there were answers to only four questions, and then attached to it was a department summary that has some columns, program 1, program 2, program 3, but no detail. Now, it may be that the Provincial Treasurer has provided other letters or tabled other letters, but I can't help but think -- we saw the minister of agriculture give a detailed two-page response to really one issue I'd raised the other day, and I had a letter the other day from the Minister of Economic Development, a very thorough response to a number of questions I'd raised. Similarly, from the minister of intergovernmental affairs I saw detailed responses. So I was surprised, frankly, to see that what we got from the Provincial Treasurer was so little. To be fair to him, it may be that there are other letters that haven't been tabled yet, other responses, but I haven't been able to find them in terms of preparing for the follow-up questions I wanted to ask.

9:20

Mr. Chairman, there were a number of questions that I note were not asked relating to program 3, particularly in the loans and loan guarantees division, so I'd raise some of those questions now. For example, how much of the \$2.5 million from finance is being allocated in 1999-2000 to administer remaining loans and loan guarantees and related asset sales, regulation of financial institutions, and administration of risk management in the insurance program? Will the Provincial Treasurer indicate what steps he has taken to track indemnities and financial commitments provided by departments and provincial corporations to properly assess our exposure -- "our" being Albertans' -- to loss? What system has the Provincial Treasurer developed to report all indemnities and commitments and include this information within the public accounts and the budget?

I'd ask further: will the Provincial Treasurer provide any information on the process that is established to divest investments like the AGT Commission, N.A. Properties (1994) Ltd.? Can he explain the role and function played by the interdepartmental divestiture committees? Does the divestment process include the following steps on a regular basis: scoping study and business evaluation; information dissemination to potential purchasers; soliciting, receiving, and assessing bids; conducting negotiations with one or more bidders on the terms of divestment; making recommendations to ministers on acceptability of the bids; executing the sale agreement; ensuring all preconditions are fulfilled for settlement of the sale contract? There's a great deal of interest, I think, in those particular questions.

I had another session of questions that I didn't see responded to, or at least asked the other day. I'm just trying to put my finger on the list of questions I had. How does the loans and guarantees division use monthly cash flow statements, quarterly financial reports, business plans, pro forma financial projections and appraisals and evaluations from companies that have received loans and guarantees from the government to prepare interim and annual financial statement analysis as required?

In the loans and guarantees manual it refers specifically to articles 5.2 and 5.3 of that manual. Will the Treasurer table the latest interim and annual financial statement analyses prepared by the loans and guarantees division under sections 5.2 and 5.3 of the loans and guarantees manual as it relates to the province's financial involvement in Ridley Grain Ltd., Centennial Food, Vencap Acquisition Corporation, Centre for Frontier Engineering Research? In fact, this was a commitment made by the Premier on February 12, 1998, in the Assembly on the Al-Pac loans.



Will the Treasurer provide information on any restructuring proposals that are being worked on by the loans and loan guarantees section for such ventures as Centennial Food Corporation, Vencap Acquisition Corporation, or Ridley Grain Ltd.?

Will the Treasurer provide a breakdown of the \$3 million provision for doubtful accounts for '99-2000 and the \$10 million provision for loans, guarantees, and indemnities for 1999-2000 as contained on page 60 of Budget '99? Will the Treasurer provide a breakdown of the \$43 million provision for other doubtful loans, advances, and implemented guarantees as of March 31, 1999, as contained on page 63 of the budget? Will the Treasurer provide a breakdown of the \$31 million provision for estimated liability on loan guarantees as of March 31, 1999. This is disclosed on page 64 of Budget '99?

Will the Treasurer provide a breakdown of the \$2.318 million in other cash marketable securities and accounts receivable for the 1998-1999 year and the \$2.271 million projection for 1999-2000?

Will the Treasurer confirm a \$500,000 payment made on the North Saskatchewan River Boat, guarantee -- in other words, confirm that there was a \$500,000 payment in 1998-1999? Will the Treasurer provide an update on the status of the \$3 million loan guarantee for the Centre for Frontier Engineering Research? Will the Treasurer provide an update on the status of the \$4 million loan to Pratt & Whitney Canada? Will the Treasurer provide an update on the status of the \$137 million loan to Ridley Grain Ltd?

Will the Treasurer report on any restructuring proposals that have been received from the consortia members in the past year? What are the expectations for a principal and interest payment on the heritage fund first mortgage bonds in light of the decidedly weak prices for grain in 1999-2000?

Will the Treasurer provide further information on the terms and conditions of repayment of the \$14 million loan provided to Centennial Food Corporation? A subject of some interest and some discussion this afternoon, will the Treasurer indicate how much in interest payments has been made on the loan through March 15, 1999? The interest rates range from zero percent to 12 percent based on company profitability. How much unpaid interest has accrued on the loan from March 1991 until March 31, 1999? How much of the \$14 million owing on the Centennial Food loan is contained within the \$43 million allowance for doubtful loans, advances, implemented guarantees and indemnities as of March 31, 1999, contained in Budget '99? How much of the interest expected on the \$14 million Centennial Food loan in 1998-99 is contained in the \$13 million provision for doubtful accounts and loan guarantees and indemnities for Alberta Treasury, as disclosed on page 60 of Budget '99.

Now the area of banking and cash management is an area I think of major concern to Albertans. What performance indicators have been established to evaluate effectiveness in this area? In other words, noninterest earning cash balances, bank overdraft balances: what benchmarks have been developed for these measures? What are the implications of maintaining banking systems to maximize cash, particularly in relation to the increase in liquid assets in the heritage fund and the consolidated cash investment trust fund? Flexibility and liquidity to apply against outstanding debt obligations.

How does the Treasurer expect to increase analytical ability -- and that would include external expertise -- to assess alternatives, measure risks, and employ option swaps and other financial products to manage the liability portfolio? Will the Treasurer provide further information on the operation of the consolidated cash investment trust fund as a tool of asset management and the financial institution reporting systems that are in place to monitor performance?

Will the Treasurer indicate the number of securities transactions

that were undertaken by cash banking and securities administration during 1998-1999, the expected level of activity during 1999-2000? Will the Treasurer comment on how effective the contracting of cash banking and securities administration with external financial institutions is in bringing cash quickly into the Alberta system? How much cash flow is banking and cash management projected to handle in 1999-2000? Note that in 1997-1998 the amount handled was \$225 billion. How many further reductions in bank accounts are expected in 1999-2000, resulting in improved bank efficiencies? There was a reduction in '97-98 of 721 accounts.

What was the rate of return on the consolidating cash investment trust fund in 1998-99, and what's the target for '99-2000? We note in '97-98 the rate of return, Mr. Chairman, was only 3.8 percent.

In terms of liabilities management, some issues there. About \$700,000 is being provided for administration in the province's borrowing program. In light of the \$2.48 billion projected for financing debt maturities and redemptions during 1999-2000, will the Treasurer provide further details on the contracting out of fiscal agencies for each debt issued to financial institutions? How effective is outside contracting compared to in-house management of the borrowing program? What type of analysis is undertaken by liabilities management to identify a debt configuration which is low risk on its exposure to interest rate and exchange rate risk but which also takes into account the expected costs associated with reducing those risks?

9:30

In light of the natural hedge policy that's in place with the Treasury Department, does liabilities management regularly estimate the interest rate and exchange rate sensitivity of the Crown's debt portfolio? How does the Treasurer explain the \$220 million increase in accrued foreign exchange provisions in 1998-99? How much of Alberta's accumulated debt will be unhedged U.S. dollars as of March 31, 1999?

I sure hope we're going to get answers to these things before we have to vote on the estimates for the Treasury Department, Mr. Chairman. I want to make sure that I don't run over my 20 minutes. I want to afford the Provincial Treasurer his full 20 minutes to answer these questions. So I hope the chair is certainly going to give me the signal when I run out of time, because we're going to be interested in watching those responses we get.

Before I go further, what I'd like to do, Mr. Chairman -- I have some comments to make, but I would propose to move an amendment right now. I think it's been distributed to all members. I'm moving this amendment on behalf of my colleague from Edmonton-Glenora and in his place.

Mr. Dickson moved on behalf of Mr. Sapers:

Be it resolved that the estimates for the standing policy committee on financial planning and human resources under reference 1.0.8 of the 1999-2000 estimates of the department of Treasury be reduced by \$97,000 so that the operating expense and capital investment to be voted is \$145,250,000.

Now, the reason for that is similar to some of the other amendments we've seen. When the Premier became Premier after the leadership in late 1992, he had a lot of caucus members, and he did something that he'd employed when he was mayor, a successful mayor I might add, of the city of Calgary. The city of Calgary has always had standing policy committees, and what the former mayor of Calgary did -- presumably he wanted to bring that into the Assembly. It was a good way of being able to give everybody an assignment to one of those committees.

When the Premier decided to introduce that thing that worked very well and continues to work well at the city of Calgary into the Legislative Assembly, the difficulty was that he seemed not to be mindful of the fact that we have party organization in this place. Sometimes it's a bane and a curse to our existence, but we're stuck with it, for better or worse, for the near term. What the Premier maybe wasn't thinking in terms of was the fact that in most other Legislatures when they have things called standing policy committees -- and one of my colleagues had reminded me that they were watching something on the one cable station that tends to cover legislative/government happenings, and you had Mr. Art Hanger, Member of Parliament, on a standing policy committee. One of my colleagues was mentioning to me: "Isn't that refreshing? You have Reform opposition MPs on the committee." I've had a chance to appear in front of the standing committee on justice affairs in Ottawa, and there's a government majority, yes, but there's a minority of representatives of other parties. In this province, we don't have that.

The government caucus has a budget, and they're welcome to take money out of that to provide luncheons and dinners or however they want to look after members of their caucus, and we can do the same thing. But to take money out of a department budget -- and we're talking in some of these departments about \$95,000, \$100,000 -- so that a group of government members can come together, mainly meet in secret, and hash out either bill initiatives or budget estimates or projections flies in the face of all the rhetoric we hear from the Premier about being open and accountable. So that's the reason we've put this amendment forward and have put it forward in those other departments, and we'll put it forward presumably in the estimates of every department that is going to spend taxpayer money in this fashion.

It's unfortunate. One would have thought that in time the government would have come to realize there would be some real value in having the kind of more robust discussion that would come from having all-party representation on policy committees. I suppose if we had in this House something like the House of Commons standing committee on justice affairs, then people would probably pay scant attention to how the government chooses to organize their committees and meetings, but it continues to be offensive that Albertans frankly are led to believe that the standing policy committees are legislative committees. I can't tell you how many groups from Calgary will tell me breathlessly: "Oh, oh, we've got an appointment. We've got a chance to meet with the standing policy committee on health planning or a standing policy committee," and they say, "So are you going to be there?" I say: "Oh, no, no, no. That's a committee of Conservative MLAs, government MLAs. That's not a committee of the Legislative Assembly." People are always surprised, and they say: well, you mean it's just government members. I say: yes, it's just government members.

Anyway, that's the purpose of the amendment, and I think that if the government wants to take this out of their caucus budget, excellent, but for pete's sake, the lunches and meetings and so on of MLAs of a single caucus ought to come out of the caucus budget, not out of a departmental budget. It skews the whole thing. It's not the way other Legislative Assemblies operate.

You know, I think there are people in Calgary-McCall I've discussed this with, and the first comment is usually, "Have we ever got a darn good MLA," and the second comment is, "I'm sure worried about the standing policy committees and the fact that there's no provision for opposition representation on them." I have to agree: yes, they have a darn fine MLA. But, you know, they're also right: it's a real shame that standing policy committees operate in a fashion where they end up being a little caucus committee when they could be so much more.

DR. TAYLOR: Who makes policy, Gary? The government or the opposition?

MR. DICKSON: Well, I'd like to think that we all made policy. The government implements.

Thank you very much, Mr. Chairman.

THE CHAIRMAN: The Committee of Supply must first consider the amendment as moved by the hon. Member for Calgary-Buffalo on behalf of the hon. Member for Edmonton-Glenora to reduce the estimates of the department of Treasury by \$97,000.

[Motion on amendment lost]

THE CHAIRMAN: After considering the business plan and proposed estimates for the Treasury Department, are you ready for the vote?

HON. MEMBERS: Agreed

THE CHAIRMAN: Opposed? Carried.

Agreed to:  
Operating Expense and Capital Investment \$145,347,000

THE CHAIRMAN: Shall the vote be reported?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

THE CHAIRMAN: We have an addition to the operating expense and capital investments, non budgetary disbursements of \$102,012,000.

Agreed to:  
Nonbudgetary disbursements \$102,012,000

THE CHAIRMAN: Shall this vote be reported?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

9:40

THE CHAIRMAN: The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Chairman. I would move that the committee now rise and report progress.

[Motion carried]

[The Deputy Speaker in the chair]

MR. SHARIFF: Mr. Speaker, the Committee of Supply has had under consideration certain resolutions, reports as follows, and requests leave to sit again.

Resolved that a sum not exceeding the following be granted to Her Majesty for the fiscal year ending March 31, 2000, for the departments and purposes indicated.

Labour: \$28,989,000 for operating expense and capital investment.

Agriculture, Food and Rural Development: \$368,505,000 for operating expense and capital investment.

Economic Development: \$74,919,000 for operating expense and capital investment.

Treasury: \$145,347,000 for operating expense and capital investment, \$102,012,000 for nonbudgetary disbursements.

Mr. Speaker, I wish to table copies of all amendments considered by the Committee of Supply on this date for the official records of the Assembly.

THE DEPUTY SPEAKER: Does the Assembly concur in this report?

HON. MEMBERS: Agreed.

THE DEPUTY SPEAKER: Opposed? So ordered.

MR. HANCOCK: Mr. Speaker, in light of the good work we've done tonight and the hour, I would move that we adjourn until 1:30 p.m. tomorrow.

[At 9:43 p.m. the Assembly adjourned to Thursday at 1:30 p.m.]

