

Legislative Assembly of Alberta

Title: **Wednesday, May 9, 2001**

8:00 p.m.

Date: 01/05/09

head: Committee of Supply

[Mr. Tannas in the chair]

THE CHAIRMAN: Good evening. I'd like to call the Committee of Supply to order. We'll begin with the usual admonition that only one person will be standing and talking at a time.

Before we begin our deliberations on the estimates of Human Resources and Employment, I wonder if we might briefly revert to Introduction of Guests.

[Unanimous consent granted]

head: Introduction of Guests

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

MS CARLSON: Thank you, Mr. Chairman. It's my pleasure this evening to introduce a visitor from Ontario. She happens to be the grandmother of James Hamilton, who is a page here in the Legislature. Her name is Anne Andrews. I would first of all like to say, Mrs. Andrews, that your grandson is doing an excellent job. We're all very proud of him here, and you can be proud of him as well. Now, would you please stand and receive the traditional warm welcome of this Assembly.

head: Main Estimates 2001-2002

Human Resources and Employment

THE CHAIRMAN: We'd like to begin this evening by calling upon the minister. Hon. minister, if you could lead us off this evening.

MR. DUNFORD: Well, thank you very much, Mr. Chairman. It's certainly nice to see a packed House tonight. That's very good. All of the opposition members are in their seats. That's good. I do that because I realize that *Hansard* . . .

AN HON. MEMBER: They're not all there.

MR. DUNFORD: Well, hey, I'm going to cut them some slack. Maybe they'll cut me some slack. More importantly, I want to give all of them the opportunity to ship *Hansard* around to as many of their friends and relatives as they can. I know we'll be listening to their remarks with close attention.

Before I begin, we have members of our department here tonight in the members' gallery. Duncan Campbell and Dan Thompson are from Human Resources and Employment, I guess main body, but here representing the personnel administration office are Shirley Howe, Debra Tiffen, and Lorne Saul-Demers. Shelby MacLeod is here, my executive assistant.

I would want to take up just a few minutes of my time and hope that the members would perhaps let me add to this time by just indicating to all of you that earlier today the Alberta government on your behalf received an award from the Institute of Public Administration. I forget what the "C" in their acronym, IPAC, means. We heard the Premier earlier today table the press release. The personnel administration office – and that's our department – received a gold medal from this body because of the corporate human resource development strategy that we have here in the provincial government. So all of our people are to be congratulated for that. [ap-

plause] Thank you very much. *Hansard* will note that there was a thunderous ovation throughout the Assembly.

The ministry that I'm responsible for, Alberta Human Resources and Employment, is becoming known as the people and workplace department. Just to review, it includes the Department of Human Resources and Employment but also the personnel administration office, the Alberta Labour Relations Board, and the legislative component of the Workers' Compensation Board. We spend about a billion dollars of taxpayer's money, so I think it's important that we talk a little bit about how we do that and what we're really trying to do.

If you could visualize our situation: we find people where they're at, and then we try to move them forward. If we find them in social services, people needing temporary assistance on our part, we provide that assistance, but then we want to move them into training and into some sort of career development plan. Again, the philosophy of this government is the fact that our assistance program, the welfare program in Alberta, is one of a temporary nature. We believe very strongly that Albertans feel pride in themselves and in their families, and of course they want to be independent. So it is our task and it's our mandate to then move them toward independence. If we find them in social services need, we move them into training. If we find that they need training, then we'll provide that training and then move them into the workplace. When we find them in the workplace, we want to make sure that we have a safe and an equitable situation in that workplace.

Before going on, I need to clarify one of the items in the estimates that's contained in the supports for independence and the assured income for the severely handicapped. To correct a change in accounting for these two programs, a 13th month of benefits has been included, and this results in a onetime expenditure of \$35 million. Again, just to reinforce this one particular item, the basic principle behind Alberta social programs is that resources are dedicated to the people who need them most.

Now what are some of the programs that we have? We have AISH, assured income for the severely handicapped, the most generous in the country. We also provide support for the homeless. This year we propose to spend \$12.9 million to keep a roof over the heads of men and women who come to Alberta looking for work, people that are already here that might be experiencing mental illness, or people facing addictions. Our supports for independence helps people in need, and it helps them become self-supporting and independent. As mentioned in the throne speech, we will be conducting a review of all of these programs and services that are provided to low-income Albertans. The details of that will be announced shortly.

One of the main areas in the training area is our skills development program. This provides grants to low-income Albertans who are upgrading basic skills. In the year ahead we expect to help 12,500 people in this particular area.

Some of the other programs that we are involved in in terms of labour market supports is one that we're actually very proud of, and that's the Youth Connections program. It continues to expand. There are representatives in this House that have had some experience with this particular program. I want you to understand that the feedback that we get on this program is very good.

The minister's Employability Council has been set up. This is an attempt to move some 20,000 disabled Albertans into the workforce. We have very, very good materials that have been developed to help not only the disabled person that might want to be entering the workplace but materials to help the employer and also to help service providers that are there to support the disabled.

The Alberta child health benefit is of particular pride to us,

because in our relationship with the federal government through the Alberta child health benefit program we believe that we've developed a model that fits right in line with this government's philosophy of flexible federalism as it relates to the federal government. It's through that program that we can help with prescription drugs, dental, optical, and ambulance coverage for some 62,000 children of low-income families here in the province.

8:10

Employment standards is a part of our responsibility. Again, in that manner we're trying to provide a workplace situation that is deemed as equitable both from the employer and the employee's side. A recent change in that area that you will be familiar with is, of course, the change to maternity and parental leave.

Workplace health and safety is, again, a main area. Of course, Alberta enjoys one of the lowest incident rates of injury on the job, so we should not have to accept any particular statistic in that area. But there are going to be things that happen, and we need to keep them controlled as best we can.

Under the personnel administration office we have a budget of \$7.9 million. Again, we're responsible for providing services to other departments that really are involved with 21,000 public service employees across this province in 166 locations. Many of you understand that there are challenges both in attraction and retention in the Alberta public service. Really, as a workforce we are aging, and there are going to be some major challenges for us in that area in the future. This fall we'll be negotiating with the Alberta Union of Provincial Employees.

The Alberta Labour Relations Board comes under our jurisdiction as well. Here, again, we enjoy probably the lowest statistic in any jurisdiction in Canada in terms of time lost due to labour disruption. We're very, very proud of that area and very, very proud of all of those functions and the 1,899 employees that I represent here tonight.

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

MR. MacDONALD: Thank you very much, Mr. Chairman. I'm pleased to be able to participate in the debate this evening on the budget estimates of the Human Resources and Employment ministry. This is one of these departments that is getting rather difficult to keep one's eye on because it gets shifted here and shifted there, parts of it go to another department and another department further down the front benches. It gets rather difficult and time consuming to keep a watch on the delegated administrative organizations, that were formerly part of the labour department, which was of course amalgamated into this. With all the expansion of the cabinet it was surprising that there still is not a stand-alone ministry of labour in this province. It may have been a small department, but it certainly was a vital department.

Contrary to what the hon. minister has just said, the labour relations climate in this province is certainly in need of improvement. Whenever there was a long and drawn-out strike, what happened? That strike was just excluded from the performance measures. You look at the overall department, and the minister certainly has his work cut out for him, certainly his staff. You see the role that the employment standards office plays in workplace rules for almost 80 percent of the entire workforce of this province. It's a small office, but it enforces the rules that govern the workplace relationship between employers and employees for close to 80 percent of Albertans.

We look at OH and S, occupational health and safety, the law and the regulations. We look, of course, at the Labour Relations Board,

the WCB. The majority of the department is devoted financially to programs for Albertans with low or no income. Now, it is quite comfortable, Mr. Chairman, for many to express in their comments on increasing welfare rates, or SFI rates, the notion that these rates produce dependency, unwillingness to find employment, increased rates of drug abuse, crime. That's simply the easy way out.

I would certainly encourage the minister and his officials to have a look at increasing SFI rates. If you look at the cost of energy, if you look at increasing costs that are related to energy, if you look at the time frame since there was a significant increase to those rates, if you look at all those factors plus the idea that was discussed at the growth summit that the clients, the individuals that are directly affected by the rates, would also be included in the discussions on what levels those rates should be set at, then I certainly would encourage the minister and his department to have a look now. If there are figures available, let's see them, and hopefully before the weather turns cold again in the fall, there will be some adjustments made to the SFI rate in this province.

While we're talking about this, there will be further discussions on the use of the claw-back in this province. This is the only province in Canada that claws back money from those people. We need to have a long discussion on that, but, Mr. Chairman, we first need to go through the department program by program.

I'm sure it's not the individuals that are clients of SFI that would be going to an establishment such as Buffet World, which has been a chronic violator of the Employment Standards Code. The minister, to his credit, has certainly done something that his predecessor in the department of labour for whatever reason did not feel comfortable in doing. The minister has shown a willingness to enforce the occupational health and safety rules and regulations. Now, that is a good start.

The accident rates in this province and the death rate on jobsites have been deplorable. Members can stand up and state: "Oh, we are increasing our workforce. The participation rate in the workforce has gone up dramatically, and that's the reason why accident rates have gone up." The number of new claims filed, Mr. Chairman, with the WCB is far greater than the number of individuals that are entering the workforce, whether they're young or old, and that argument cannot be made.

Again I would like to comment publicly on this minister's willingness to enforce the occupational health and safety laws and also to try to improve them. I don't know what the cost is of the occupational health and safety call centre, that provides advice to employees, whether they're young or old, employers, foremen at construction sites, or workers at construction sites. I would like to have a detailed short-term analysis of how successful the call centre has been to date. How many calls have been received? What areas of the province are they coming from? What age groups, if they're measuring how old these workers are that are calling, and exactly what sort of information is the minister's department collecting at this call centre? I'm told that it is successful, and I would be pleased to receive that information.

8:20

Now, given that the minister is quite willing now to enforce the occupational health and safety laws, I would like to see the minister do the same with the employment standards office. Case after case is coming to the constituency office in Edmonton-Gold Bar, and they're chronic repeat offenders in my view. I would like to see the minister devote some time and attention to that office, because, as I said before, it's very vital. With our participation rates in unions in this province being very low, the majority of workers depend on that for fairness. Albertans have demonstrated that they're willing to

work hard, and I feel that at the end of the day they should be paid. Unscrupulous operators should be taken and let the courts decide what to do with them, and only the minister can do that.

I would certainly hope that the minister continues with the diligence that the department has displayed. Unfortunately, today I read in the paper where there was an explosion that injured six oil field workers in central Alberta. Just by having a quick look at this accident report, which happened at an oil battery, one can conclude that during the vessel cleaning operation that was being conducted, there was an explosion; there were vapours around. It is under investigation. This sort of accident, in my view, is preventable. The minister cannot rest easy.

Now, given the fact that an underage worker, unfortunately, died – and this is not what we think of in Alberta: someone that's untrained and underage working on the construction of a luxury condominium on the south side, almost directly across from us on the other side of the river in Edmonton last summer. This is the most unfortunate of circumstances, and it cannot occur again.

I would encourage all hon. members of this Assembly to visit the Human Resources and Employment library on the third floor on 108th Street. It is a chilling experience to go and open the files on all the occupational health and safety fatalities. These are reports, Mr. Chairman, that have been done, completed. Some of them, I think, are late in coming – and there are deficiencies in the legislation – because there was a shortage of staff. To go through those is a sobering, chilling experience. They're from all over the province and in all sorts of industries.

There's a family behind each and every one of those files. There's a family that has lost a loved one, in some cases the primary breadwinner. We can't dismiss or diminish the importance of these occupational health and safety rules and regulations to Albertans. We just can't.

Buffet World. I'm looking forward in the next year to seeing the minister tackle those problems.

I'm confident that the minister is going to have some success in reducing our accident rates in this province and the fatality rates, which have gone up 34 percent between 1999 and the recent statistics in 2000. A 34 percent increase in one year is totally unacceptable. Mr. Chairman, this year there were, I believe, 58 people, unfortunately, killed on Alberta work sites. In the year before there were 43. I will not be one to complain if the minister has to increase his budget and somewhere find more occupational health and safety inspectors and investigators.

The Buffet Worlds of this world: those practices cannot continue, because again it's not fair to businesses that abide by the Employment Standards Code. It's just not fair to them. How can they compete economically with someone who is not paying wages, vacation pay, holiday pay, overtime in many circumstance. It's just not fair to the businesses.

When we look at labour relations in this province, Mr. Chairman, we need not go any further than a strike that started on the 1st of April. It's with CEP, the Canadian Communications, Energy and Paper Workers at the Petro Canada refinery. This is the first time that this enterprise has seen a labour dispute of this nature. This is going on now six weeks. I would encourage the minister to use all available powers to see if this dispute can be resolved. There was a similar dispute north of the Yellowhead highway at a drywall factory, and it lasted six months. People were on the picket line.

Regardless, the best agreement that can be reached for collective bargaining purposes is an agreement that's reached freely by both parties, and it's an agreement that both parties can prosper and profit by. Those are the best agreements.

I was astonished. I reviewed *Hansard*. I review *Hansard*

extensively, and I saw comments and quotes from different individuals who are still in this Assembly and were speaking about not wanting to interfere, Mr. Chairman, with the collective bargaining process. There've been former ministers of education; there've been former ministers of labour; there've been Premiers: "Oh, no, we're not going to get involved with collective bargaining; we're not going to interfere. We're just going to let the process play itself out."

I was astonished, and I don't think this bodes well, unfortunately, for labour relations in this province. Of course, I'm talking about the idea that we're going to make a dedicated line amount in the budget for teachers' salaries. That announcement in the budget is going to come back to make a difference in the labour relations climate and the labour relations adjudication.

The minister will have this summer and this fall – I predict the minister is going to be working overtime, because that was very, very provocative. We need to ensure that everyone feels comfortable with not only the Labour Relations Code but also the Labour Relations Board. By everyone I mean employers and employees and unions and management. Everyone has got to feel that they can go there and be treated with fairness and impartiality. Those last two issues, the issue of fairness and the issue of impartiality, are the cornerstones of a positive labour relations climate.

8:30

Now, Mr. Chairman, when you think of the issues that will have to be dealt with in this budget by this hon. minister, I don't see a line item specific to any changes that are going to occur in the Labour Relations Code. I heard the hon. minister on two occasions at standing policy committee meetings say that, yes, after the election there will be changes to the Labour Relations Code. I'm wondering if it's possible for the minister to share the changes that are being proposed to the Labour Relations Code with this member and also the other hon. members of the opposition. Perhaps if the minister were to share this information, then these changes, if they are positive, would be much easier to explain and discuss with the labour relations community in the province.

Now, I was at a reception earlier this evening, and that idea was put forward with the Cooperatives Act. The changes in the legislation were discussed with all stakeholders, Mr. Chairman, and that amount of background detail and work is going to result in a very free and easy passage through this Assembly for that act. I would encourage the minister to do the same with amendments to the Labour Relations Code.

The WCB is another area that is under the control of the minister. Now, the minister may not like that description. I'll get back later on to my comments on the WCB, Mr. Chairman.

Thank you.

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

DR. MASSEY: Thank you, Mr. Chairman. I'm pleased to have the opportunity to ask a few questions about the estimates before us this evening. I was interested in the minister's opening comments. I'm not sure whether he was being cynical and dismissive of the process; I would hope and think not. We're spending a lot of public money in this budget, and we're spending public money on some really very important programs, programs that affect some of the most vulnerable members of our community. So it's an important budget, one that does deserve close scrutiny and one that I think deserves a great deal of attention.

I thought I would, in the limited time I have, try to focus my questions and comments on that part of the budget that is on page 210 of the business plan, which is that "Albertans in need of assistance will receive support." I do it for a couple of reasons.

One, I have a constituency where my constituency office is across from a low-income area. We deal with a lot of people who are dependent upon the government for their income and for their standard of living. Secondly, and probably more importantly, is that I think it's a measure of our society how well we treat the vulnerable. Hopefully, in any kind of measure a society as materially rich as ours would be sharing some of that material benefit with those who are more vulnerable or unable to make their way alone.

As the minister has indicated on other occasions, the caseloads for people seeking and needing supports for independence have dropped dramatically. That's not just an Alberta phenomenon, but that is a countrywide and continentwide, at least in the United States, phenomenon. I looked at the figures given in the business plan, and for supports for independence in 1999-2000 the actual for the caseload is indicated as 31,112. The forecast is that that will go down. I noticed on a sheet from the Internet from the National Council of Welfare that the estimated number of people on welfare in Alberta has dropped from 196,000 to 64,800, a dramatic drop from 1993 until the year 2000. That pattern, although not as dramatic, is repeated in every province, and as I indicated, it's also repeated south of the border, where the nationwide caseloads there are estimated to have dropped by 40 percent since 1994.

So obviously a lot of effort is being placed on trying to decrease individual support on government assistance. I think that's a goal we'd all support, but I think we have to be careful that those figures don't mislead. I look at what's happened south of the border, and I would ask, in terms of our progress here, what kind of information we have on recipients after they leave welfare. What's happening to those people?

I note that the minister said there was going to be a review of the department. I hope that review might look at recipients after they leave the rolls of the department and what happens to them and their families. This interest is one that I think is very important. We should have a handle on what kinds of jobs they find. We should know what kinds of services they're using or continue to use. We should, most importantly I think, have a handle on what kinds of difficulties they face as individuals and families, particularly what those difficulties are in terms of feeding and housing their families.

This is being taken very seriously by a number of American states, which have put in rather extensive programs to find out and to track recipients after they leave welfare. As I looked at some of them, I was interested in the kind of information they were seeking and how they sought that information, the kind of process they used.

A couple of examples. I had one from Massachusetts and one from Kansas. The welfare department in Massachusetts actually paid the recipients who had left their rolls, paid them \$25 for the first interview and \$10 for the second one, to try to get some information on what was happening after they had left the rolls. It was rather interesting. They posted some of their results. At the time they were interviewed, about 60 percent of the recipients were employed, and of those about 35 percent were employed full-time. They went on to ask questions about how they found their jobs. It's fine to get off welfare, but how did they go about finding a job? Some of them indicated they got them from friends, some from the newspapers, and some by word of mouth. Government sources only accounted for 12 percent in terms of how they actually ended up getting a job. Given all the agencies and all the effort that's put into trying to help people get those jobs, I'd be curious if the same is true here. Some indicated that by just going door to door, by interviewing, they got their jobs.

8:40

They asked, in terms of food security, that now that they were off welfare, did their family, did their children have enough to eat? They had a scale. If they had at least one day without food, they tried to give an index in terms of the food supply for people who had left welfare.

They went on to look at a number of other factors, but I thought they had taken seriously the task of trying to find out what happened to these people once they had left the welfare rolls. The one from Kansas had them identify the biggest problems that they faced having left the welfare rolls. Again, 20 percent of them said that there wasn't enough food for their children. Overdue bills plagued over a third of them. Some had been evicted. Some had had their utilities turned off.

So life for the recipients, for many of them, was not easy, and I guess most devastating is that most of them continued to live in poverty. They got off the welfare rolls, but they and their families were still living in poverty. They were asked whether they were better off financially, and almost half, or 42 percent, said much or a little better off, but 37 percent of them said that they were much or a little worse off. In terms of being concerned about the welfare of those individuals, I think those findings should cause concern. As I said at the beginning, it's nice to look at the statistics and say that, yes, Alberta's welfare rolls have been reduced dramatically over a 10-year period, but it doesn't tell the story of the lives of those people in many ways.

Nationally, the States has looked at what's happened, and the big impact in terms of families of people who have left welfare is that they are doing better, but they don't have enough money, and they are still struggling very, very hard to get by. They are facing hardships. They don't have enough money for food or rent, and they indicated that life was a struggle.

There was an interesting project conducted by Human Resources Development Canada and the Social Research and Demonstration Corporation. They identified the problem that seems to plague people who leave the welfare rolls and indicated that our history of social welfare is one of oscillation between efforts to relieve poverty, on one hand, and then our attempts to decrease welfare dependence. There's been a great deal of effort here, and the minister has been involved in massive programs to try to decrease dependence on welfare.

There are a number of strategies that are used. When dependence is minimized by cutting benefits, families who remain dependent on social assistance fall deeper into poverty, and when benefits are raised, we have the problem of people depending on welfare. So they had a demonstration project. I'm not sure of the date on it, Mr. Chairman, but the project was concerned with single parents who had left welfare. They were given additional moneys to supplement their earnings. I know that we don't have a similar program, but for the recipients of AISH there's a benefit that can go to employers if they employ handicapped or disabled citizens. This one was for single-parent families, and they were given money to supplement their earnings.

That's been the problem, of course, with many people who leave social assistance. They get into the job market, but they're in very low-paying, minimum wage jobs, and they live in poverty. The demonstration project "doubles the income of workers who take jobs paying as much as \$8.00 an hour." The problem a lot of welfare recipients going to work face is the problem of low starting wages, so during the demonstration project they tried to resolve that by topping up the wages generously, doubling it by as much as \$8 an hour.

It was a rigorously controlled project. It wasn't put together hastily. There was a control group so that at the end of the project they can actually make some conclusions that we might trust. But the results, if I could just quote, Mr. Chairman:

A year and a half into the program, eligible individuals had higher rates of full-time employment and earnings, and lower rates of welfare receipt, than control group members.

So they got into jobs, and this initial supplement managed to get them over the initial problem they often faced. The precis of the project indicates that there's some reason for optimism about the project's future relevance and benefit for those who are engaged in the project.

I really have concern about the amount of money. The line item is 2, and it's \$752,288,000. That's only part of the money that's paid in supporting families. It leads me, I guess, to another question. I wonder why – and maybe the minister can explain – there seems to be such a limited number of performance measures with respect to social assistance and those programs for the vulnerable. The base structure of the government's business plans rests on performance measures and the business plans themselves, being able to see a number of measures attached to dollars and being able to take those measures and judge whether the progress is being made or whether it's not. It seems to me that the business plan offers very little to the average reader in terms of understanding the progress in terms of social assistance and what's happening to Albertans who are on those programs.

I would suggest that as a minimum we might have information in terms of how many recipients who leave it are finding jobs, what the employment rates are of those people who have left social assistance, and how many of those families are still living in poverty. I guess an important index would be how many of those families and how many of those recipients returned to the assistance rolls. There's a great deal of information that is not here that I think would be useful in gauging the progress of the department and assuring us that the money being spent is being well spent. That goes far beyond the number of recipients and then quantifying the drop in those recipients.

8:50

As I've tried to indicate in my remarks, Mr. Chairman, I think there is a great deal of work. I read an article recently where there's been sort of this huge push to get people off social assistance. Now people are asking: exactly what have we done? What are the implications of what we've done? Let's start now and put a human face on the figures we're so proud of in terms of the welfare roll reduction.

I think with those comments, Mr. Chairman, I'll conclude. Thanks very much.

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

MS BLAKEMAN: Thanks very much. I had to arm-wrestle to get into line here. Thanks very much.

MR. DUNFORD: Now, remember: I'm your constituent.

MS BLAKEMAN: Yes. We'll talk about that later.

DR. MASSEY: Did he vote for you?

MS BLAKEMAN: I doubt it. You all are gentle people, most of you.

Now, this is such an important ministry for so many people in

Alberta. It really can be their lifeline in many cases. So I'm glad we're able to give it the full two hours of scrutiny today. Let me start with a few questions that have come to me as I go through the business plan, 2001-2004, of the Department of Human Resources and Employment. When I look at the section under Challenges, this is a really interesting section because in fact the department is surprisingly observant about what are the challenges that are being faced by Albertans. They're sort of put out there and then just left. So we can get things like, "Alberta's low-income individuals . . . are finding it harder to meet their basic needs due to rising costs." Good observation. Yeah, great, but then there's no additional assistance there.

So people are having a tough time, and it doesn't go any further than that, which I find really curious, especially with what we know now and what would have been known when the budget for this department was being developed about the pressures people were experiencing around increased utility costs and certainly decreasing vacancy rates, which is something we've dealt with a lot in Edmonton-Centre. You know, the rents are going up substantially, in a lot of cases by a 20 and 30 percent bounce in one notification. The individuals, of course, start looking for another place to live where they could be paying more or less the same amount of rent, and guess what? It's just not out there.

My question around that is: what kind of report back are we going to get from cross-ministry initiatives around housing issues? Everybody seems to pay lip service to it, but we don't actually seem to see movement happening there. I recognize that in fact housing is in a different ministry now – it's been bounced around to about four places in the last two years – and it's not specific to this department. Certainly if we're willing to recognize that people are having trouble paying for food and rent and things like that – to just shrug and go, oh, well, and leave it strikes me as particularly odd.

Ah, yes. The WCB. Right at the very beginning there's a neat little statement that the following departments and agencies are included in this department and then this little sentence:

Since the Workers' Compensation Board is an independent employer-funded organization, their five-year Strategic Plan is not included with the Ministry's Business Plan.

Well, the Auditor General has repeatedly stated that if a minister is responsible under legislation for an agency, then they should be reporting on it. Certainly the minutiae, the fine details of this sort of thing, often escape the public. If they know that this is the Ministry of Human Resources and Employment and WCB falls under it, then they expect to see some kind of reporting from WCB. So I just find it very odd that we don't get that included here, and frankly I think we should.

The Auditor General has been on for some time to have consolidated statements. If the legislation sets up a relationship with the minister, then we should have the reporting out here, where everybody can see it. I know that the minister is well aware of the many problems that people experience with WCB. There's been a number of promises that things are going to get better and that we're going to hear about things, so I'm looking forward to how that's going to happen.

I'm going back to the Challenges again and the supports for independence. I'm wondering if the minister can supply me with an answer about why this government has a policy of discriminating against lower income women. We have an instance where the government is actively encouraging and promoting women from middle-income families. Where there can afford to be a single earner and one person stay home, there are tax breaks and initiatives being put in place. But under supports for independence, where we're obviously dealing with someone in a lower economic stratum,

there's an insistence that a mother be looking for work when the child is six months old. So right there we've got a very odd setup. There's an encouragement here and incentives for women to stay home. But gee, you know, if you're going to be depending on the government, no. Better be at work as soon as the kid is six months old. I've asked that question before, and no one in the government has ever been able to explain why they've made those choices. So I'll put it on record again. Maybe I'll be three times lucky.

When we look at the core business of "positive workplace environments and the establishment of professional and workplace standards," there's an interesting thing I'm hearing about from some of the labourers, workers out in the field. With a move to no monitoring at all or to self-monitoring in an industry, a strange thing has happened. We have companies, who I'm sure intended this as a positive incentive, setting up things like, you know, if the team goes so many days without a workplace accident, everybody on the team gets a trip to Hawaii or they all get some kind of merchandise. [interjections] Yeah, oh yeah. What's happening is that in fact the workers, in loyalty to their colleagues, may well get injured but don't want to . . .

THE CHAIRMAN: Hon. minister, could you find your seat?
Edmonton-Centre.

MS BLAKEMAN: Thank you very much.

So I'm sure without meaning to, we've had what was meant to be an incentive perverted or corrupted. We now have workers that are afraid to in fact go through the process that's available to them to report injuries and have an opportunity for practices in a workplace that are contributing to injuries to be examined. That whole system is being corrupted in that workers are choosing not to report. I know that members of the government would say: well, that's their choice if they don't want to admit that they've been injured. But really they've been put in a position through peer pressure and other considerations where they feel they can't. We have injured workers who are not getting the care they should have. We're also not getting the statistics about where injuries are happening. I'm not pretending that this is widespread or that there are thousands of cases of this, but it is something that has been brought up to me more than once. I'm probably thinking three or four different folks have come in to talk to me about this, and I'd be interested in how the minister plans to deal with that kind of aberration in the intent.

9:00

You know, this government's relationship with workers has always been really interesting. It's almost as though – and this can't be true – the government doesn't really like workers, people that work.

MR. DUNFORD: Not true.

AN HON. MEMBER: Say it isn't so.

MS BLAKEMAN: That's for the minister to say it isn't so, and I'm sure when he gets his opportunity, he will.

When we look at the things we prize in our society, where did they come from? Was this brought to us on high from the truly powerful and wealthy? Did they come up with the idea of public health care? Nope. Did they even come up with the idea of public education? Nope. This came from the workers, who said: this is what we all need to have a better world, a better Canada, a better Alberta. I often find this government's relationship with workers almost destructive. It strikes me at times that the government doesn't want to see any unions at all for anybody, no how, no way.

It's interesting what's going on in question period where questions

are being asked about why for the first time ever the government would take out a line item, hold a press conference on it to highlight it, to say, look, this is how much money we've allotted to a given group of people in a collective bargaining situation, highlight that, and then shrug and look innocent and go: "Gee, no, we're not interfering in the collective bargaining process." Huh? Well, yeah. I mean, that sure told everybody exactly how much money was there. That's exactly what was going on.

The words both on and off the microphone that I've heard in the Assembly around unions like the ATA or the United Nurses association, around the AFL, around AUPE or CUPE – it just seems to be a lack of appreciation for the people who really make our world go round, frankly. They're the people that get the work done.

On the one hand, we have the government admitting that we're going to have to find new entrants to the workforce and we need higher immigration to be able to fill all the jobs we have in that working sector, but there sure is a bad attitude from the government towards that working sector. It almost is the idea of being a Mexico north, where workers are all earning low or minimum wages and the manufacturing sector or whatever sector could make mountains of money with very low-paid workers.

This has got to come back on the government. Who do you think pays the taxes? I mean, yeah, the wealthy pay a certain percentage, not as much as everybody else. Some tax money does come from the wealthy, but frankly most of it comes from the working folk. If you manage to make everybody work at minimum wage or slightly above, it's going to affect your bottom line, but that never seems to be taken into consideration by this government.

One of the other things that I'm interested in around labour relations – a couple of things. I'm interested in a discussion around replacement worker legislation. One of the things that I'm glad has been brought to my attention while I've been in this Assembly is the number of strikes we have here that go on for an extraordinarily long time. We're not talking a couple of weeks, six weeks. We're talking six months, eight months, a year, more than a year. Why is that happening? Well, I mean, what incentive is there for an employer to settle, to go into a bargaining situation with workers? What the heck? I mean, they just bring in replacement workers and keep right on going. The transit strike in Calgary. What's the incentive for any employer to settle when they just bring in replacement workers and keep going? You know, the original workers can just be on the street forever, which frankly is coming close to happening in some of these strikes.

I think what's most important in that, if there was only one thing I could convince the government to do, is to have binding contract arbitration on first contracts. That's certainly what happened to the *Calgary Herald*, and I think that's the most chilling prospect: those people interested in forming unions don't even get a chance to get off the ground. I'd be really interested . . . Oh, I am an optimist at times, aren't I? Well, I'd be really interested in seeing that kind of support from the government for binding contract arbitration on the first contract. I'm an optimist, but you know, I'll just keep working on it. Yeah.

Now, my very favourite: performance measurement. Well, let's have a look at the performance measurements in this department. Please let there not be anything about a survey of satisfaction. Oh, boy. Look under goal 1: "percentage of clients satisfied with workplace and labour market information." Huh.

AN HON. MEMBER: That's a lot of sighing.

MS BLAKEMAN: Yeah, I know.

You know, this is not giving the scrutinizing public the tools to

work with. It's not giving the department the tools to work with. I mean, yeah, it's nice to know that people are satisfied. But is that the driving purpose behind everything: people are satisfied? Don't you want to know if they're employed at a job that brings them above the minimum wage or that we have enough workers in sectors where we are short of workers? No. We're satisfied with workplace and labour market information. Boy, that's really going to solve all the problems in the labour market today. People get good brochures. Yup, that'll bring us forward.

A couple of actual specifics. When I look under that, in a number of cases here we've got the actual for 1999-2000, and the targets for 2001 and higher are in fact lower than what the actual was. So Labour Market Information Centre services: 86 percent. I suppose that's 86 percent satisfaction with information. Then we look at 2000-2001 and 2001-02 and 2002-03 and 2003-04, and the target is "85% or higher." So you're actually dropping your standards there. Gee, you know, I would have thought you'd think better of yourself there.

Career information hotline requests. The department is expecting the number to drop because they're expecting people to be using the ALIS web site user sessions. And, whoa, do you ever expect people to be on the Internet there. Is this realistic? What's this based on? You're going from a little less than 400,000 on these user sessions, doubling that to 800,000 for the year that we just passed, for 2000-2001, and then going up to a million in this fiscal year we've got under examination. What's that based on? How are you believing that people are going to do that many hits on this web site? How many people looking for a minimum-wage job do think have computers? I recognize that they can go into the job centres and use them there, but that strikes me as very high.

9:10

Now, when we look at goal 2, we have a performance measurement: "percentage of participants employed post-intervention." How exactly did you get these figures? What's this based on? Thankfully, it is not a survey of satisfaction, which makes me a happy person. How are you knowing that in '99-2000 the actual rate was 72 percent? From where did you get these figures? Are you extrapolating based on how many people were receiving training and now how many people are in the workforce, and the difference somehow gives you your number? Or are you actually tracking these people and finding out how many people get employment as a result of the intervention, so-called, from the department? As far as I know, we've asked repeatedly to see if you're tracking where people go once they're cut off social assistance and have to get involved with these job-training clubs and resume-writing sessions, and the government has always said they weren't able to track people. So where are you getting this percentage from?

Interestingly, here's another one where the actual in '99-2000 was 72 percent, and the targets are "70% or higher." How is this a useful working management tool for the department? I think this department is one of the ones the Auditor General's talking about when he says that the departments really have to get useful, realistic targets.

Thank you so much for your enthusiasm.

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

MS CARLSON: Thank you, Mr. Chairman. I'm happy to be able to participate in the Human Resources and Employment estimates this evening. I'm not sure I'm going to be able to bring quite the degree of enthusiasm that my colleague from Edmonton-Centre did, but it certainly isn't because I don't believe these estimates are very important. While this is a department that sees really a small

percentage of the budget dollars allocated to it, it is a critically important department in terms of meeting the needs of people in this province. It is one of those departments that better than others or more than others shows the philosophical kinds of differences between the Conservative governing party and the Liberal opposition.

We see how the government treats this particular department, which now includes advanced education and career development, labour, and family and social services components, as very much a throwaway kind of department. We see them treating these people as not really a part of the Alberta advantage but as people who have needs that they try in the most basic sense to not necessarily meet but begin to address. That's where the difference is in the philosophy for us and from them, Mr. Chairman. We think that this is where we can provide the Alberta advantage for people. With the budget dollars allocated in this department, certainly not only do you give a hand up but you give a guiding hand sometimes, and you give additional support as required to get some people in these areas in employment that is not only meaningful but at a standard of living so they can raise families and enjoy some of the advantage the majority of the people in this province have.

So when we take a look at how the government has managed this department, then we take a look at their past record in part and see how that relates to what they're currently doing. With that I will be spending most of my time this evening talking about the Auditor General's report. It's too bad I have to spend most of my time there, Mr. Chairman. When we talk about a small department in terms of dollars, it's actually got a great deal of coverage from the Auditor General. He's devoted a full nine pages of his report to this particular department, and specifically he devotes it to the parts of the department that talk about people not in the mainstream kind of labour market.

So let's go through some of what he's had to say and find out what the government is doing to accommodate some of the concerns he had and see if we'll be looking at improved performances in the next year to come. I have my reservations about whether or not this is going to be happening. I hope; it would be great to see. We had a bit of a philosophical change in the government in that they started to support these particular areas in a more appropriate fashion, but I'm not holding my breath on this one.

The Auditor General talks about past years where there have been problems with controls over funds spent on training and employment support programs. As far back as '96-97 he was outlining these concerns resulting from inadequate program development and contract definition and contract management. In fact, we had public allegations about the kinds of concerns that were happening there, lots of questions in the House on that throughout that time period. There were deficiencies in performance measurements in employment support programs.

Let's just take a look and think for a moment about what these programs are addressing. These are programs for people who are trying to get retrained or trained and back into the workforce. So who are these people, Mr. Chairman?

These people are people in our society who are very, very vulnerable. They are people who have been at a disadvantage for whatever reason – social reasons, lack of training reasons, emotional reasons, family support reasons – and they're trying their best to get back into the workforce. They go to the government for help. The government says that they can help them, that they've got all these support programs, and then in fact when they're in the programs, they find out that they're not adequately meeting their needs in many, many areas, in fact to such a degree that the Auditor General repeatedly, annually comments on them. So when he got to the '97-

98 part of this report, there was some progress, but there were still instances of inadequate monitoring which resulted in a risk that external providers could receive payments for services not fully rendered. The risks associated with this, then, are that when reliance is placed on external service providers, there are significant problems that can arise from this. They spent a lot of the focus in the 2000 year on taking a look at these skill developments, and there were still significant problems.

What happens then, Mr. Chairman, when there are problems in these programs and, in fact, moneys are not properly spent? We've got situations where the government is not only being ripped off but also the people who are in the programs. If money is overspent in one area in these programs, then there isn't money left for other people coming up through the system who need dollars. I'm wondering if the minister could comment for us on the overall progress that has been made in this regard and if he could tell us what they're using now in terms of performance measures and what's happened with the dollars that have been overspent in the past on particular individuals. Has the difference between that overspending been returned to the department to help other people, or were some people just left by the wayside on this? So if he could answer that for me, we would certainly appreciate that.

When we talk about the ministry financial statements, the Auditor General talked about needing to do

a follow-up of the prior year's recommendation that a plan and agreement for the delivery of shared services for Persons with Developmental Disabilities (PDD) boards and child and family services regional authorities be developed.

This is an ongoing problem, Mr. Chairman. Can this minister tell us, please, how this has been addressed?

This seems to be a cross-ministry issue. If we take a look at who he is talking about here, child and family services, and if we take a look at what the Children's Advocate talked about in the '99-2000 annual report, we see that not only are there problems with that particular issue in Human Resources and Employment but the same problem happens in terms of the department of family and social services between child welfare and income support programs, that there's a strong requirement for providing an integrated approach to service delivery. This is point 5 that the Children's Advocate makes in his summary of recommendations in terms of priority issues. So clearly this is an issue that the government has been unable to address. Can the minister tell us what steps he has taken to rectify this and what kind of progress we can see?

These aren't numbers on a page, Mr. Chairman. These are people. These are vulnerable people for the most part, people who come to the government for help and support often as a very last resort. When they can't co-ordinate the services, then clearly that indicates a big problem, and if the government could tell us what they're doing to address that, that would be very important, I think, for us to know, not only on the children and family services side but the persons with development disabilities.

9:20

The Auditor General talks about "a review of the systems in place to administer the Workplace, Health and Safety Program." So could we have an update on what's happening there?

He also talks about "audit of claims for federal cost-sharing." This is a piece of work, Mr. Chairman. It's unbelievable if you read through what the Auditor General has to say here, and I'm a little surprised that it didn't come forward as a major recommendation. That's coming up later on. He talks about audit reports on the federal cost-sharing claims where they had some recommendations. In the preparation of claims for federal cost sharing, they recommended "that the Department strengthen its procedures to prepare,

review and provide documentary support for claims on the federal government for cost-shared programs." So of course this department has an ongoing responsibility to make sure that claims on federal government programs for certain cost-shared programs are made and are made adequately.

[Mr. Lougheed in the chair]

What happens when the Auditor General takes a look at it, Mr. Chairman? He finds that in the final claim under the Canada assistance plan made over the seven years from 1989-90 and '95-96 they were overpaid by approximately \$11.4 million. There were significant errors. How can that happen? You know, when the Auditor General starts to scratch the surface and finds some issues and problems, he keeps going and had to go back quite a few years to figure out just how much this particular claim was out of whack and states here that "the draft final CAP Claim contained large errors."

The federal government had agreed that the Final Claim include adjustments for certain administration costs of Home Care Services for 1994-95 and 1995-96 that had not been included in the CAP claims for those years because of the then unavailability of information.

Well, we know home care has been a big mess, Mr. Chairman. There's no doubt about that. I mean, you've got to wonder with the kind of hassle that people have to go through to get an extra half hour of care in their home and then we find out that the government can't even do its paperwork. What is going on with that? Can the minister tell us what they've done to correct those problems? What kind of paperwork schemozzles do they have now? Is it being done in a timely fashion? Can people expect that this government is going to make adequate reimbursements from the federal government that are accurate?

They "identified errors in the calculation of these adjustments which understated the amount claimed by \$1.1 million." Well, how much home care is that for individuals, Mr. Chairman? I would suggest that \$1.1 million would have satisfied the needs of many, many, many people in this province. That's absolutely inexcusable, I think, and we would like some comments on how it happened and what they're doing to suggest that that doesn't happen in the future.

The Auditor General "identified errors in the calculations to reduce the maximum limits on the amounts claimable" as far back as 1991-92. That "resulted in an overstatement of the claim of approximately \$2.5 million." What happens there? They were corrected, but then

also, the Department had failed to retain material to support the adjustments amounting to approximately \$6.4 million to the 1995-96 claim for administrative costs incurred by the Province in providing Home Care services.

What happened to the paperwork, Mr. Chairman? Were those shredding machines going full time, or people just didn't submit the paperwork? What kinds of checks and balances are there? How can you have any kind of benchmarking system if the paperwork isn't kept in order? So serious concerns, I think. Has that all been rectified? I think that's an appropriate question to be asking. We'd like some detail on that.

Then we get to the formal recommendation that the Auditor General made, recommendation 24, on the skills development program. He talks about recommending "that procedures to monitor compliance by educational institutions with the terms of the Skills Development Program be improved." It goes on to detail many issues with that particular process, which is quite frightening when you think about the people who are taking these programs put on by the government and supported by the government. In some cases

they are expected to come out of those programs with skills that make them employable, that they're not just going through a never ending cycle of programs that never actually result in a job but only result in huge burdens of student loans, eventually plunking them back at the beginning of the cycle somewhat better trained but still back on social assistance.

We see this cycle happening all the time in the constituency office, where people are on assistance for whatever reasons and are asked to retrain or choose to retrain, either case. So they get into these programs, and they're make-work programs. They're not coming out of them with any skills. They come back into our constituency office. They are frustrated with the process, and now they're carrying a student loan. They don't make enough money by any stretch of the imagination to get ahead of the game, never mind even keep on par with what basic living requirements are. Then they're told that they've got to go back for more retraining, and the cycle keeps happening.

These people get worn down by the system, Mr. Chairman, and it's a frustrating process for them. I admire their stamina. A lot of them end up just giving up, and you can understand why. In the very program where we should be providing more support and assistance, what happens is the government falls down in their ability to have compliance in these institutes and falls down in their role to support these people through the process.

In this particular recommendation the government's response has been to accept it in principle. To accept in principle isn't to accept in fact and accept in doing. What they've stated is that

a new Memorandum of Understanding (MOU) has been finalized that addresses the risks identified in the audit. The Ministry will develop interim procedures to ensure compliance with the program terms to provide adequate assurance until the new MOU is fully implemented. In addition, the Skills Development Program is currently being reviewed along with other related programs to determine the most effective method for delivering these services.

Well, if they asked people on the ground, Mr. Chairman, we could tell them that they've got to be delivering services that are actually providing useful training. You know, sometimes they're throwing these people into programs where they're expected to sit up at a desk eight hours a day, starting at 9 o'clock and ending at 5, when they're dealing with people who have life-skill challenges. Sometimes there are intermediate steps that need to be taken there, not necessarily the job-skill training. First, they need some life-skill training. They need to know how to get out the door in the morning and show up at the job and get themselves settled and start to work, basic requirements, steps that the government seems to miss. Of course, somebody should have been responsible in the past for teaching those people that, but it didn't happen. They didn't. So now is the chance for the government to fill a gap in the process, and they don't do it. Anyway, those are some comments on that side of it.

The Auditor General goes on to comment on the acceptance in principle, where they talk about ongoing problems as a result of this only being accepted in principle. So there's a whole two, three pages that the Auditor General talks about between that recommendation and concerns that they've got, things like significant overpayments in tuition fees and living allowances. Overpayments here mean underpayments to somebody else.

They talked about how "until the new contract which addresses the present inadequacies is implemented, the Department continues to be at risk." So what's the interim process? What's happened here, Mr. Minister? What have you decided that you're going to be doing between now and then to ensure that overpayments aren't made?

9:30

The Auditor General goes on to talk about how "further audits of

educational institutes are necessary, but no audits are planned." Why not? When they found such significant problems, why haven't they gone on to pursue this in more institutes?

The Auditor General talks about:

Results from the pilot audit indicate that there is a significant risk of overpayments. In our view, to address all risks of non-compliance with Programs terms, the Department should audit the remaining (approximately 90%) of educational institutions or establish other interim measures pending the implementation of the proposed new MOU and contract. These audits should include a review of educational institutions' monitoring of individual student academic progress.

They have determined that "on-site audits of educational institutes have not been planned either directly by the Department or indirectly through Alberta Learning." Please tell us why.

THE ACTING CHAIRMAN: The hon. Member for Edmonton-Highlands.

MR. MASON: Thank you very much, Mr. Chairman. I'd like to arise to participate in the debate over the 2001-2002 estimates of the ministry of Human Resources and Employment.

The ministry was first established two years ago during one of the periodic reorganizations that the government likes to engage in. Now, at that time the ministry was formed out of the ashes of the old social services department and the old labour department, and the responsibilities of the ministry are as broad as any within the provincial government. The ministry is responsible for income support to individuals and families, for skills development and employment training, for labour relations, for employment standards, for occupational health and safety, for workers' compensation, for personnel administration within the government, and for the office of the Public Guardian. Given these diverse and in some ways unrelated sets of responsibilities, I will try to divide my remarks to reflect the various categories that the department represents.

I'd like to begin with income support to individuals and families, which covers both the supports for independence program, which is social assistance or welfare, and assured income for the severely handicapped, or AISH. Mr. Chairman, let's be clear; social welfare and AISH are income support programs of last resort. They are the only permanent barrier that stands between those not able to work and homelessness or starvation. As such, it is imperative that these income support benefits are adequate to meet the recipients' basic needs.

Now, how do Alberta's rates measure up? Well, not very well. I'd like to quote from an editorial in last month's *Edmonton Journal* entitled "Alberta's miserly welfare rates." The editorial says:

In 1993, the Alberta government slashed welfare rates as part of its overall budget cuts. Now, eight years later, with the government's coffers full to bursting, this province's poorest and most vulnerable citizens are still feeling the full effects of those cuts.

Mr. Chairman, I'd just like to briefly refer to a report that was done last year by the Inter-City Forum on Social Policy. It was done by a number of people representing 18 urban areas in Alberta including Calgary, Edmonton, Strathcona county, Lethbridge, Red Deer, Medicine Hat, St. Albert, Fort McMurray, Grande Prairie, Lloydminster, Airdrie, Spruce Grove, Leduc, Camrose, Fort Saskatchewan, Wetaskiwin, Drumheller, and Cold Lake. So it is fairly comprehensive, and, you know, it's not just limited to the inner cities of Edmonton or Calgary. It was released by a number of people who work in municipal government, and they worked on it for a number of years.

Here are some of the findings.

Approximately one in five Albertans is poor, a rate that is similar to the [rest of] Canada. There are wide variations across the

province however. As expected, the greatest rates of poverty are in Edmonton and Calgary, but Wetaskiwin, Red Deer and Lethbridge also have rates above the provincial average.

Children, youth, and the very old are more likely to be poor. In Alberta urban centres, the highest rates of poverty are among children 14 years and younger, people aged 15 to 24 years, and seniors aged 75 and over.

There are significant gender differences as well in the profile, Mr. Chairman.

On average, the poverty rate for women is 20%, slightly higher than the 17% rate for men. Among people 75 years and older, the poverty rate for women is 17% higher than for men.

Lone-parent families are more likely to be poor than are other types of families.

Some of this is not surprising.

Members of our Aboriginal communities and persons with a disability are more likely to be poor.

There is a direct link between the level of education and poverty.

This is interesting:

Being employed helps in reducing poverty but is not necessarily a safeguard against it. Over three-quarters of the 106,610 poor families in Alberta (77%) were employed for at least part of [that year]. Just under one-half worked full-time (44%). These are the "working poor" who earn the minimum wage or close to it . . . One in five poor Albertans works part-time.

This is interesting, and I think this comes to the point that I want to make in my comments tonight.

Being poor means making choices – difficult choices because the money is rarely enough to meet daily needs. Under Alberta's Supports for Independence allowance, a single parent with two children ages 3 and 7 receives \$11,852 a year. The same parent earning Alberta's minimum wage for a 37-hour [work] week would make \$15,220 . . . Both of these incomes are well below any of the urban [poverty line] LICO rates for a three-person household. The lowest LICO for a household of three is \$20,790, the rate for an urban centre with a population of 30,000 or under.

So it's pretty clear, Mr. Chairman, that whether you are on AISH, on social assistance, or working at or near the minimum wage in this province, you are poor. That amounts to nearly one in five of the people that we represent here in this Assembly, so I think that's something that deserves the government's attention.

We have in Alberta the lowest social assistance rates in the country with the sole exception of Newfoundland. The throne speech gave Albertans some hope that the government might finally give some relief to low-income Albertans, yet even these hopes were dashed when the budget came down and we were dealing with these estimates, because there's no new money in the budget to cover increases in social assistance.

Now, there are those who argue that raising social assistance reduces the incentive to work. I'm sure that that idea has a considerable amount of currency in this Chamber, but it's belied by the fact that the vast majority of those on social assistance today cannot work and are not even expected to work.

My questions to the minister. What is the scope of the review of income support programs? Who will be consulted, and what is the time frame for the review?

Moreover, if the government wants to increase the incentive to work, I would suggest that they look at raising the minimum wage in this province. At \$5.90 per hour Alberta's minimum wage is the lowest outside the Atlantic provinces. Does the government have any plans to increase Alberta's low minimum wage? Why doesn't the government link future increases in the minimum wage to a benchmark such as the inflation rate or average weekly earnings? If it's good enough for us, Mr. Chairman, it's good enough for the poor of this province.

9:40

I note from the estimates on page 257 that the government is looking at a small increase in AISH rates. Is the government planning to increase the \$855 per month rate received by AISH recipients, or is the increase designed to cover rising caseloads only?

I want next to move to the area of labour relations or, as the estimates book prefers to call them, workplace relationships. Albertans belonging to trade unions tend to have higher pay, better benefits, and more job security than Albertans who are unorganized. Despite the clear benefits to working Albertans from belonging to trade unions, we have a provincial government that barely bothers to disguise its contempt for organized labour.

Just last week in this House we had the minister of labour say that the reason Alberta enjoys the lowest unionization rate in the country is because Alberta workers don't want to belong to unions. Well, that's an interesting statement, Mr. Chairman. We would certainly ask about those workers at the *Calgary Herald* who lined up to belong to a union and went out on a very bitter strike to defend that union and to defend their right to organize. The government turned their backs on them and left them hanging. Let's take also in Calgary another example, the Dynamic Furniture workers, who democratically decided to join a union, yet were unable to obtain a first collective agreement because their employers refused to bargain in good faith.

In the case of the *Calgary Herald* journalists, decertification was a condition of their returning to work after a protracted labour dispute. Now, why do we have legislation at all governing the formation of unions if an employer is allowed to bargain and insist, as a condition for a collective agreement, that the union be decertified? I think in any other jurisdiction – and I stand to be corrected – this kind of thing would be beyond anything that was permitted under a labour act. So here we have a situation where workers go out on a strike, they can't get an agreement against one of the most powerful employers in the entire province, and in the end the employer makes it a condition for them to return to work that they not have a union. If that doesn't fly in the face of any reasonable intention of labour relations, I don't know what else does, yet that's allowed here in Alberta, and I think it's a real shame.

Alberta's unfair labour laws are a contributing factor to our low unionization rate. In that respect I want to ask the minister if the government would consider progressive changes to Alberta's labour code, such as automatic first contract arbitration in cases where an anti-union employer refuses to bargain in good faith. Will the government abandon plans to ban the right to strike for ambulance workers under so-called essential services legislation? Why doesn't the government acknowledge that banning the right to strike does not prevent strikes but rather poisons the labour relations environment in the place where it's imposed?

I note that the government is proposing to provide a modest increase in workplace health and safety funding. What specific measures is the government planning to undertake to address unacceptably high accident rates? I saw that there was another case today: a number of workers were injured in a battery explosion in this province. We all have agreed in this House that the rate of workplace injury and death is far too high, but without more inspectors, without better enforcement of even the existing laws, Mr. Chairman, we're not going to change that. So it's something that the government has to make a priority in terms of finances and policy as well as just words.

In the area of employment standards the government has a reputation for being quite lax as well. In addition to the minimum wage there's another specific area which I'd like to ask the minister about. It has to do with the blanket exemption from employment

standards by the agricultural sector. While there's some justification for this in small family farm operations, we need to recognize that the agricultural sector is changing. We debated this a little bit this afternoon, Mr. Chairman. We're seeing a growing level of industrialization of the agricultural sector where you have massive operations organized very much on the principles of industry rather than traditional small-scale farming. So why do we not then extend the industrial protection to workers into a field in which industrial types of organization and scale are becoming predominant?

The livestock sector particularly is changing rapidly into an industrial style, with dozens or maybe hundreds of employees. What possible justification is there for continuing to exempt employees working for these large-scale operations from basic employment standards and from WCB coverage?

My final question relates to the minister's responsibility for personnel administration in the Alberta public service. Two years ago the Supreme Court ruled in the *M versus H* decision that continued discrimination towards those in same-sex relationships could no longer be justified. Yet within Alberta's public service same-sex partners of Alberta government employees continue to be denied equal access to employment pensions and benefits as those involved in opposite-sex relationships. When will the minister move to rectify this continued discrimination?

Those are my questions on the estimates, Mr. Chairman.

In conclusion, I just would like to say that all of these areas which come under this ministry are areas in which I believe the government continues to have some significant blind spots. When it comes to workers' rights, when it comes to issues of poverty, the government prefers to believe that the one-fifth of Albertans who live at or below the poverty line simply don't exist. I've heard that before. When I get up and talk about poverty in this House, I get all kinds of comments from all around the semicircle of the government side that it's not really an issue, that it's not really a problem, or that I should prove it and so on. Well, these are real people. There are many, many of them, hundreds of thousands of people, many of them who are old or who are children. The government needs to address this.

The government has lots of money now and is prepared to spend lots of money on lots of different things, and many of those things are good things. Some of them are, in our view, wasteful, but it's not wasteful to do something to get people off social assistance by giving them some encouragement to get into the workforce and be able to earn a living.

That's the last point that I'd like to make. It has to do with the issues that we deal with at my constituency office. The maze of regulations that people face who are on social assistance or some other form, such as AISH, really stand in the way of them getting off welfare. The government likes to say that they don't want to keep people on welfare, but their own regulations make it very difficult indeed to get off. As soon as you begin to earn a little bit of income through your own work by going out and getting involved in the labour force, it's clawed back by the government.

MR. DUNFORD: Not true.

MR. MASON: Well, to a large extent it's true.

I would suggest that if the government really wants to help people get off social assistance, they should provide more incentives for them to do so by allowing them to keep a greater proportion of the income, up to a reasonable limit, and that would really, I think, provide a real, material, and financial incentive to people to get out and work instead of remaining trapped in welfare. The welfare system as it's designed here in this province, Mr. Chairman, is a

trap. It is difficult to get out of. The government should make it easy to get out of, not by punishing people who are trapped there but by making it attractive for them to leave and allowing them to retain more of the income that they earn as a result of getting involved in the workforce.

With those comments, Mr. Chairman, I'll take my seat and listen for other comments tonight.

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

9:50

DR. MASSEY: Thank you, Mr. Chairman. We're making our way through the questions on the business plan. My colleague from Edmonton-Centre had raised questions about goal 1 on page 206 of the business plans. I'd like to pick up where she has left off, if I might, and ask some questions starting with goal 2 on page 207.

Under 2.1 there's an item, and one of the strategies is: "Leading changes to remove inter-provincial barriers to enhance mobility of workers as committed to in the Labour Mobility Chapter of the Agreement on Internal Trade." My question is: what progress has been made on this in the last year, and just what progress is expected in the coming year? There are no details here, and it would be interesting to hear from the minister just exactly what has happened and what they hope to achieve in the coming year.

It's rather curious in 2.2 that one of the strategies is to "develop a multi-year plan to address the demand for scarce skills." I say that it's rather curious because hasn't that been a problem in the province for a number of years? Why now a multiyear plan? Just how flexible is that plan going to be? It is rather surprising to see it here. What are the skills that they're looking at? What kind of people are they looking for? What are the areas that they expect to try to beef up in terms of available workers? So could we have some more details on that multiyear plan and maybe a bit of an explanation why at this particular point it appears in the budget and the kind of resources that they expect are going to be needed to carry that out?

If I could skip over to the performance measures on the bottom of page 207, where it's got the "percentage of participants employed post-intervention," it was 72 percent in 1999-2000, and targets are 70 percent or higher. How long after the intervention is employment measured? When is this index computed, and is it measured again? It refers, I guess, to my previous comments, Mr. Chairman. How often do they intend to take that measure? A year, two years later? How long will the tracking go on?

If I could raise some questions about the supplemental information on page 208, under goal 2 of the business plan. Under the total number of learners by special group type that were employed, the youth 1999-2000 actual was 82 percent employed. What's the explanation for dropping the target to 70 percent? It doesn't seem, on the face of it, to make much sense, Mr. Chairman, that you would have a target that had been reached at 82 percent and it's dropped to 70.

Along the same line, why the rather low target for aboriginals of 60 percent? Can we have a bit of an explanation for that? The total number of learners was 42,166 in 1999-2000 and is expected to rise to 42,400 in 2001-2002. The total budget, the cost for that training and employment support, is \$276,206,000. Now, I know you can't do the math this way, but if you roughly divide the number of learners into that budget, it comes to about \$6,500 a learner a year. Are we getting that kind of value for the money that's in this budget?

Under goal 3 on page 208, "Alberta will have a fair, safe and healthy work environment," I have some questions under the

subprograms. In 3.1 one of the strategies is to complete “the comprehensive review of regulations under the Occupational Health and Safety Act.” Could we have some explanation as to why the review was undertaken and when they expect that that review will be completed? Again, what are the outcomes? What can we expect from the review?

There’s another strategy: “targeting inspections for poor health and safety performers and uncontrolled hazards.” Just how are these targets going to be set? What is the process that is going to be used? Is this going to have implications for other operations like the random inspection of work sites? Could we have some information on that.

A further strategy under 3.1 is “working with Alberta Justice to ensure [that] specialized Crown prosecutors are available for prosecutions under the Occupational Health and Safety Act.” Just what are they looking at in terms of numbers of Crown prosecutors? Could we have an indication?

The last strategy that I’d like to focus on there is the one that indicates: “ensuring the number of Workplace Health and Safety officers keeps pace with the growth of the Alberta economy.” Because the economy is growing and expected to grow in the next few years, exactly how many are going to be hired this year? What’s the budgeted estimate in terms of those officers?

I’d like to then spend a few minutes on goal 4 if I may. I’m sorry; I covered goal 4. I think, Mr. Chairman, with those comments I’ll conclude. Actually I’ve lost my place in my notes, and I’ll pick it up in a few minutes.

Thanks, Mr. Chairman.

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

MR. MacDONALD: Thank you, Mr. Chairman. At this point I would like to continue where I left off initially, and that was in my discussion of the WCB. Now, as part of the business plan here one of the key initiatives is to co-ordinate “interdepartmental responses to the recommendations arising from the two reviews of the Workers’ Compensation Board.” I inherited this job as critic from my colleague from Edmonton-Glengarry, and he has been providing advice to me regarding the WCB. That member like myself and like many members of the public is very anxious to see these two reviews in relationship to what the hon. minister is going to do with these reviews.

Now, I described it as the brag book – grandparents have brag books, and so do governments – and this is what I would describe this document as. We’re looking at workers’ compensation premiums here and the Alberta advantage, and they’re quite low. “Alberta’s WCB premium rate remains the lowest among the provinces”, 14% lower than second place Manitoba.” However, I have to ask the hon. minister: how long is this going to continue? Our accident rates are skyrocketing. The files are opening up. I would like to see it continue, but someone is going to have to pay here. If the hon. minister could provide that information, I would be very grateful. If you just go over a couple of pages here in this brag book and you see the natural gas rates and the electricity rates, the accuracy of those forecasts or charts is in my mind highly doubtful. So if the minister could please provide the future premiums for businesses on WCB, I would be very grateful.

10:00

In relation to this whole co-ordination of interdepartmental responses, could the minister please tell me what role the Public

Affairs Bureau is going to play in this? I’ve come to the conclusion that the Public Affairs Bureau is the control centre of the entire government, if I could describe it as such, and I’m interested to know what they’re doing in relation to these two reviews.

Now, the WCB. It is my view, regardless of whether you’re employed on a farm or you’re employed in industry or you’re employed in a store, that if you’re earning a wage, then you should be covered by WCB premiums. That statement would of course exclude a lot of family farms where family members pitch in and help one another out. That concludes my remarks on the WCB.

Getting back to Alberta Human Resources and Employment and the fact that the department – and I’m resentful about this – demanded a \$54,000 fee before it would release information to me. This was in relation to a little better than \$300 million that’s come from transfer payments from the federal government. The hon. Member for Edmonton-Ellerslie talked about this earlier. In his 1999-2000 report, Mr. Chairman, the Auditor General revealed that in the Department of Human Resources and Employment there was a pilot audit of 10 percent of educational institutions that provide “basic education, upgrading, post-secondary and apprenticeship instruction” under the skills development program that “showed significant overpayments” by the department.

The minister, to his credit, after question period at one time tabled one audit, and I was of the impression that there was a second audit. I would encourage the minister to release that audit, look through his files and find that audit. There is a lot of money here. The pilot audit covering the period from October 1998 to March 2000 revealed noncompliance with an unenforceable memorandum of understanding, failure to deal with student nonattendance, failure to report changes in financial status, and failure to properly calculate refunds to the department for tuition fees.

Perhaps I wouldn’t mind paying this \$54,000, if I had it, to get all of this information and sift through it, but to be stonewalled by the department was quite frustrating. Now, if the \$54,000 was used to alleviate child poverty, then that would be a useful purpose for this excessive fee. But this is totally unacceptable if a government is to be open and accountable.

All government money is tax dollars, but the federal government and what information they have regarding this – and this has been tested through FOIP. It will be interesting to see how open and accountable they are regarding this issue. This is totally unacceptable. As I understand it, there are going to be future programs like this.

Now, I understand that with the Alberta skills development program the department pays a fee per student to educational institutions and in some cases a living allowance to students. The Auditor General had indicated that “the controls in place . . . are inadequate,” that there’s a risk of overpayment of fees and allowances, a risk that record keeping by institutions will be inadequate, that obligations to monitor student progress are inadequate to evaluate the success of the program, and that there are no requirements for the educational institutions to report to the department on a regular basis.

This fee can be \$54,000; the federal government charges \$5. This is simply hiding inadequacies of the department, and I know the hon. minister doesn’t want to do that. I’m looking forward to the production of that second audit, and I will go through it at my leisure.

I also have in the time left here some other questions, and they concern the child health benefit at this time. We all know that one of the first priorities of any government would be children who are living in poverty and also persons with disabilities. I notice, particularly with the child health benefit – and if you could please

bear with me, because I've got to flip some pages here – that the minister in the business plan talks about a roughly 25,000 increase in the number of caseloads for the child health benefit between the last year and 2003-2004.

Now, could the minister explain the expense on page 218, the roughly \$18 million, an increase from \$11 million? Is that going to be adequate to cover that child health benefit? What exactly is included in that child health benefit? Is it premium-free coverage for prescription drugs, optical and dental services, emergency and ambulance transportation, and diabetic supplies? Does it also include the shelter allowance and school expense benefits for families in the supports for independence program, the SFI? How much of this money is coming from the federal claw-back, if any, in this program? I would be very curious to find this out.

Also, I understand that the department is reviewing the widows' pension programs. When will this be done, and will the minister table this, or if the House is not in session, will the hon. minister have one of his department officials phone me and say, "Mr. MacDonald, come on over and pick this up"?

MR. DUNFORD: Hey, will you make a note? Get his number; will you? Give him a call. Can we call anytime, Hugh? Can we pick the time?

MR. MacDONALD: That's the spirit. I like to see that. The minister can certainly pick the time.

Now, I have one more question regarding the Workers' Compensation Board, and it's the settlement that was made with the widows. Now, as I understand it, there have been previous settlements made in other jurisdictions, other provinces, and those settlements were exempt from taxes. I want to know why the settlement that was agreed to last year in this province, as it has been explained to me, is not exempt from taxes.

10:10

MR. DUNFORD: Ask your federal cousins. They're the ones doing it.

MR. MacDONALD: Now, I already hear that the federal Liberals are getting blamed for this.

I would be very curious as to why in other jurisdictions it was not. If this is a so-called political decision, perhaps the minister can work and co-operate with the federal government and resolve this issue and resolve this issue in favour of those who waited years and years and years for compensation that is rightfully theirs. I would appreciate it if the minister would stand up and be counted on this issue again and work for a successful resolution to this, because it is my view that all compensation from the WCB should be exempt from taxation, and that's as I understand it.

We also have to look a little further, Mr. Chairman, at the business plan and see how the performance measures are going to work.

THE ACTING CHAIRMAN: Hon. Member for Edmonton-Gold Bar, the time has expired.

Hon. minister, any closing remarks?

MR. DUNFORD: Well, Mr. Chairman, I would like to thank all of

the members that participated in the debate. We had a wide-ranging field of questions. Some of it was on topic. In any event, staff were here tonight listening, making notes. We will have written answers provided as soon as possible.

MRS. NELSON: By tomorrow; right?

MR. DUNFORD: Well, not by tomorrow, no, but certainly within a reasonable time.

Thank you very much.

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

HON. MEMBERS: Agreed.

Agreed to:

Operating Expense and Capital Investment	\$1,092,777,000
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THE ACTING CHAIRMAN: Shall the vote be reported?

HON. MEMBERS: Agreed.

THE ACTING CHAIRMAN: Opposed? Carried.

The Deputy Government House Leader.

MR. ZWOZDESKY: Thank you, Mr. Chairman. I would move that the committee now rise and report progress and beg leave to sit again another time.

[Motion carried]

[Mr. Lougheed in the chair]

MR. TANNAS: 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, 2002, for the following department.

Human Resources and Employment: operating expense and capital investment, \$1,092,777,000.
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THE ACTING SPEAKER: Does the Assembly concur in the report?

HON. MEMBERS: Agreed.

THE ACTING SPEAKER: Opposed. Carried.

The hon. Deputy Government House Leader.

MR. ZWOZDESKY: Thank you, Mr. Speaker. I am refreshed by a very enlightened evening, and I would move that we now stand adjourned until tomorrow at 1:30 p.m.

[At 10:15 p.m. the Assembly adjourned to Thursday at 1:30 p.m.]

