

Legislative Assembly of Alberta

Title: **Thursday, March 21, 2002**

1:30 p.m.

Date: 2002/03/21

[The Speaker in the chair]

head: **Prayers**

THE SPEAKER: Good afternoon.

Heavenly Father, as we conclude this week's deliberations and return to our constituencies, we pray that we will be renewed and strengthened in our commitments to better serve our constituency and all of the people of Alberta. Amen.

Please be seated.

head: **Introduction of Visitors**

THE SPEAKER: The hon. Minister of Community Development.

MR. ZWOZDESKY: Thank you, Mr. Speaker. As you and all members of the House are likely quite aware, today is recognized as the International Day for the Elimination of Racial Discrimination, and we do have one of three special guests here with us today to help celebrate and salute this occasion. Momentarily we will be joined by Charlene Hay, the program manager of the Northern Alberta Alliance on Race Relations, and also by Lan Chan Marples, a board member of that organization. In the meantime I want to introduce to you Mr. Nicholas Ameyaw. He is an education co-ordinator and consultant with our Human Rights and Citizenship Commission. I would ask Nicholas to please rise and accept our thanks for his excellent and outstanding work in this very important area.

head: **Introduction of Guests**

THE SPEAKER: The hon. Member for Calgary-Shaw.

MRS. ADY: Thank you, Mr. Speaker. It is my pleasure this afternoon to introduce the president of the Alberta Roadbuilders & Heavy Construction Association, Mr. Allan Lowe. As well, he has with him Mr. Greg McCaughey, manager of Inland Cement, and Dennis Locking, manager of Volker Stevin Contracting, who is also one of my constituents. They are seated in the members' gallery this afternoon, and I would ask them to please rise and receive the traditional warm welcome of this Assembly.

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

MR. CENAIKO: Thank you, Mr. Speaker. It's my honour to introduce to you and through you to members of this Assembly a choir that was here in the Legislature at noon and was singing to members of the public that were in the Legislature today. It's a high school choir from Muenster, Saskatchewan, who has traveled from Muenster to Edmonton for a field trip. They had the opportunity to take in an Oilers game last night as well as visit West Edmonton Mall, and they came by the Legislature today to provide their singing expertise in the rotunda. They're located in the public gallery, and they include teachers Mr. Peter Penrose, Mr. Glen Hepp, 46 students from the Muenster high school, and parents Mr. Tom Gossner, Mrs. Theresa Wassermann, Mrs. Colleen Bernhard, Mrs. Cathy Moorman, Mrs. Janet Kiefer, and Mrs. Anita Renneberg. I'd ask them to stand and have the Assembly offer a warm welcome.

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

DR. PANNU: Yes. Thank you, Mr. Speaker. I'm pleased to rise today and introduce to you and through you to all members of the Assembly 15 guests, all of whom are seated in the public gallery. These guests are Alex Badre, Ghita Badre, Jette Badre, Kate Cartmel, Ashley Griffin, Margaret Griffin, Mary Griffin, Craig Harris, Rachel Harris, Amy Smale, Bobby Smale, Chris Smale, Christopher Smale, Devon Smale, and Coleen Taylor. It is Ashley's birthday today, and I take this opportunity to congratulate Ashley on her birthday.

These guests are diabetic children accompanied by their families, and the families are members of an advocacy group called Parents of Kids Experiencing Diabetes. I'd ask all these guests to please rise and receive the warm welcome of the Assembly.

THE SPEAKER: The hon. Member for Airdrie-Rocky View.

MS HALEY: Thank you so much, Mr. Speaker. It's a real pleasure for me today to be able to introduce to you and through you to the Assembly two young people sitting in our gallery up here. One of them happens to be my researcher, Matt Steppan – he's number two in command of our PC caucus research, just a really incredible young man – and his fiancée, Pamela. They're getting married this spring, and I would like them to stand and receive the warm welcome of this Assembly.

THE SPEAKER: The hon. Minister of Community Development.

MR. ZWOZDESKY: Thank you, Mr. Speaker. International Day for the Elimination of Racial Discrimination is such an important day that it warrants a double introduction. Our guests have now arrived in your gallery, and I'd ask Charlene Hay, the program manager, and Lan Chan Marples, board member, from the Northern Alberta Alliance on Race Relations to please stand, along with Nicholas Ameyaw, and receive our collective thanks.

THE SPEAKER: Hon. members, in the members' gallery today I have the pleasure of introducing to you three grade 6 classes from Westlock elementary school. I had a chance to meet with them earlier today, and they continuously invigorate one about the reality of the world. They're accompanied today by parent helpers Bonnie Arth, Tina Wold, Wanda Keyser, Tina Gatzki, Shannon Ching, Tami Hardie, Linda Bell, Val Quast, Shannon Ruth, Gerry Craig, Tammy Bell, and bus driver, Connie Lyons. I'd ask them to rise and receive the warm welcome of the hon. Members of the Legislative Assembly.

head: **Ministerial Statements**

THE SPEAKER: The hon. Minister of Community Development.

International Day for the Elimination of Racial Discrimination

MR. ZWOZDESKY: Thank you. Mr. Speaker, I rise to recognize the International Day for the Elimination of Racial Discrimination, which is today, March 21. This is a significant day, indeed, but the most important thing to remember about today is that the elimination of racial discrimination is much more than one single recognition or much more than a onetime special event. It is, in fact, a lifelong commitment that we can make that will help to make our own life and the lives of others better in our communities, in our province, and in our country.

Alberta is truly a remarkable province because of the diversity of people who live here. Whether our ancestors were among the

original peoples of Canada or came later, our heritage builds a landscape as diverse and rich as the province's geography. Albertans of all races, religions, and ethnic backgrounds contribute immeasurably to our communities, to the economy, and to the political, social, and cultural fabric of our society.

We all want and strive for a province where everyone is treated fairly. This means that we all need to work to develop a province free from racial discrimination. We have a challenge to teach ourselves and our children the skills and knowledge that will allow us to build a greater awareness for human rights and a culture totally free of racism and discrimination.

Through the Alberta Human Rights and Citizenship Commission and the human rights, citizenship and multiculturalism education fund the provincial government supports community initiatives that complement our own educational efforts to end racism and to uphold the fundamental principles of human rights for all. To this end, our government has supported many projects over many years, and during the last year these projects included such things as conferences, development of educational resource materials for schools, projects related to health care delivery, leadership programs for aboriginal and ethnocultural youth, and development of strategies on ways to prevent discrimination.

A few brief examples, Mr. Speaker, include funding provided for such projects to the city of Calgary Cultural and Racial Diversity Task Force, the Alberta Teachers' Association, the Alberta Network of Immigrant Women, Calgary regional health authority, Northern Alberta Alliance on Race Relations, Calgary Immigrant Aid Society, Alliance Jeunesse-Famille de l'Alberta Society, Boys and Girls Clubs of Edmonton, and the list goes on and on. These organizations throughout Alberta are the ones that are spearheading many excellent projects, projects that are committed to fostering racial harmony.

One such group, of course, is the Northern Alberta Alliance on Race Relations, some of whose members were just introduced in the Speaker's gallery. I commend NAARR, as they are colloquially known, and the many other individuals and organizations in Alberta who take daily action against racism and discrimination, help bring about change, and promote respect, dignity, understanding, and acceptance for all Albertans. I recognize also Dr. Celia Smyth, the chair of NAARR, for her excellent work in that regard.

1:40

Yesterday in this House, Mr. Speaker, in recognition of the International Day for the Elimination of Racial Discrimination five of our own government members spoke in the language of their birth – in Gujarati, in Arabic, in Polish, in Vietnamese, and in Ukrainian – as a symbol of the many languages that flourish and the many cultures that we so proudly embrace in this province.

In conclusion, Mr. Speaker, human rights, the prevention of discrimination, and the elimination – the total elimination – of racism are responsibilities for each and every one of us. Therefore, I encourage all members and all of Alberta's society to act very responsibly in this regard, and in the words of Mohandas Gandhi: "Be the change that you want to see in the world."

Thank you.

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

MS BLAKEMAN: Thank you very much, Mr. Speaker. I am pleased to be able to respond on behalf of the Official Opposition to the minister's statement on the International Day for the Elimination of Racial Discrimination.

To start, I'd like to highlight the events sponsored by the commu-

nity. There was a launch at St. Joe's high school, a family dance sponsored by Dickinsfield Community Partnership, a conference organized by Changing Together, A Centre for Immigrant Women, an interfaith prayer service at city hall, and events at the University of Alberta, NorQuest College, and Grant MacEwan College. Still to come are a visual art exhibit at the Edmonton Japanese Cultural Centre, and the annual Harmony Breakfast. Those, Mr. Speaker, are just the events in Edmonton. My thanks to the Northern Alberta Alliance on Race Relations for their organization and promotion of these events. The community is leading the way here.

I spoke at the Changing Together conference this past weekend, and participants challenged me on my asking them for patience and asking for the help of the community in making change. They were right. In only six short years in politics my version of a reasonable time to get things done has slowed to molasses. If I might make a few suggestions on how the government could show leadership in eliminating racism and welcoming new Canadians and immigrants: strengthen and update the foreign qualifications program, support programming like the Multicultural Health Brokers, give adequate funding to schools for ESL training, work with community-based nonprofits like the Mennonite Centre for Newcomers or the Catholic Social Services' settlement services to support the programs they already offer. Ask them what else is needed – they are the experts – and of course continue and strengthen the commitment to education on human rights. It is ignorance that causes much of the discrimination we see.

Colour Me Human is the theme this year, a challenge for all of us to be vigilant and to acknowledge our part in providing leadership and action to eliminate racial discrimination in Alberta.

Thank you.

head: Oral Question Period

THE SPEAKER: First Official Opposition main question. The hon. Leader of the Official Opposition.

Provincial Fiscal Policies

DR. NICOL: Thank you, Mr. Speaker. I'd like to congratulate the Premier for now holding the record on the fastest budget flip-flop. Perhaps the one-year budget should be renamed the one-day budget. My questions are to the Premier. What motivated this government to flip-flop on its decision to provide funds to municipalities? Was it the threat of a lawsuit?

MR. KLEIN: Mr. Speaker, there is no flip-flop or flop-flip. It was a decision that was made by the Treasury board to use the surplus from this year's budget, the 2001-2002 budget. It has nothing to do with the budget that was introduced by the hon. Minister of Finance just a few days ago. It refers to the 2001-2002 budget. There has been absolutely no flip-flop whatsoever.

THE SPEAKER: The hon. leader.

DR. NICOL: Thank you, Mr. Speaker. Less than two months ago the Premier told teachers, parents, and children: get it through your heads; there is no more money. Yet today millions of dollars mysteriously appeared for transportation projects. How can Albertans believe anything you say?

MR. KLEIN: Mr. Speaker, this is to fulfill the final year of a three-year commitment to the municipalities. Relative to education in 2001-2002 there were significant increases to the education budget. In 2002-2003 there are further significant increases for education.

While those increases have taken place, unfortunately funding to transportation has been cut. There have been no increases. There have been reductions.

THE SPEAKER: The hon. leader.

DR. NICOL: Thank you, Mr. Speaker. Again to the Premier: what kind of budgeting process do you have that allows for such a huge amount of onetime spending 11 days before the end of a fiscal year? Where's the stability in this?

MR. KLEIN: Mr. Speaker, as I explained to the media yesterday – and the hon. leader was there – no one can predict, you know, with absolute 100 percent accuracy what the situation is going to be at any particular time. We saw a decline in revenues prior to September 11. Following September 11, the horrific events had tremendous impact not only on Alberta but on Canada and indeed the rest of the world, and adjustments had to be made. There has been a recovery, albeit slow, since that particular time, and it's anticipated that our surplus will be higher than projected when the fourth-quarter report is brought in at the end of June.

THE SPEAKER: Second Official Opposition main question. The hon. Leader of the Official Opposition.

Heritage Savings Trust Fund

DR. NICOL: Thank you, Mr. Speaker. Yesterday's announcement of the Financial Management Commission clearly states that part of its mandate is to review the planning and strategy of the heritage fund. However, yesterday the Premier told reporters that the heritage fund is not on the table. My questions are to the Premier. Is this another flip-flop, Mr. Premier? Is the heritage fund up for discussion or not?

MR. KLEIN: In terms of this caucus, the heritage fund is not on the table. That's not to say it might not be on the table in future years. You know, there is nothing wrong with examining the future of the heritage fund. It's an ongoing function of the Minister of Revenue, Mr. Speaker, but I can tell the hon. Leader of the Opposition that it has never been brought to caucus in a formal sense, at least not in recent times, relative to what this government might do with respect to the future of the fund.

THE SPEAKER: The hon. leader.

DR. NICOL: Thank you, Mr. Speaker. Given that the Premier has blamed Mazankowski for his government's decision to raise the health care head tax, how can Albertans be assured that he will not blame the Financial Management Commission when he announces that he plans to liquidate the heritage fund?

MR. KLEIN: Mr. Speaker, I've heard of silly speculation in the past. You know, the media speculate all the time, but at least they do it in a reasonable fashion. This is the most unreasonable speculation that I've ever heard in my entire political life.

THE SPEAKER: The hon. leader.

DR. NICOL: Thank you, Mr. Speaker. Is the Premier prepared to liquidate the heritage fund, that currently serves so many Albertans and is supposed to be for our children and grandchildren, just to establish his own legacy by paying off the debt nearly 20 years ahead of schedule?

MR. KLEIN: Mr. Speaker, as I said before, the heritage savings trust fund is not on the table in the formal sense relative to its future or its use. That's not to say that people are prohibited from coming forth with ideas on how the fund should be used or how investment policies should be changed.

I know what the Liberals would do. They would reorganize themselves into the RBP – that's the really big party – and they would spend the money and have a really big party. That's what they would do.

THE SPEAKER: Third Official Opposition main question. The hon. Member for Edmonton-Gold Bar.

Workers' Compensation Board

MR. MacDONALD: Under this government, Mr. Speaker, payroll taxes in this province are skyrocketing. Health care head taxes are going up by 30 percent, while WCB premiums increased last fall by 27 percent, and there's talk of another double-digit increase this year. Businesses big and small can only handle so much of this government. To the Premier: will the Premier disclose to the House the retirement allowance paid to the recently retired WCB CEO, Mary Cameron?

Thank you.

1:50

MR. KLEIN: Well, Mr. Speaker, I don't have those figures at my fingertips.

Relative to the preamble to the hon. member's question, he alluded to businesses and others being hurt and so on. Well, I would think that the Investment Dealers Association of Canada represents many, many organizations and businesses and individuals who invest in businesses. The Investment Dealers Association says:

We are encouraged by Alberta's commitment to sound fiscal management in spite of the difficult economic conditions of last year. The prudent planning assumptions of this Budget, combined with an enviable record on tax reduction and spending control, are setting the stage for continued strong economic performance in Alberta.

Mr. Speaker, I would believe and I'm sure every reasonable thinking individual would rather believe the Investment Dealers Association of Canada than the Alberta Liberals.

THE SPEAKER: The hon. member.

MR. MacDONALD: Thank you, Mr. Speaker. Again to the hon. Premier: given that your reported half million dollar retirement package is public information, don't you think it's fair that Alberta businesses paying these skyrocketing rates have a right to know what the retirement package is of the CEO of the WCB?

MR. KLEIN: Mr. Speaker, it's a matter that is adjudicated within the WCB. I would remind the hon. member that WCB moneys are not tax dollars. They are contributions paid in the form of premiums by businesses. Of course, there is a legislative responsibility relative to the operation of the WCB, but relative to personnel issues I don't get personally involved. Perhaps the minister can shed some light on this.

MR. DUNFORD: We don't get personally involved, Mr. Speaker, in that situation. The legislation contemplates that the board of directors will handle the operations of the WCB, which would include, of course, CEO salary and whatever sort of pension benefits would accrue from that.

MR. MacDONALD: Again to the Premier: considering that a little over a year ago the hon. Premier said that there might be room for political guidance over salaries and benefits and he also said that perhaps it was excessive, will he now take steps so that the retirement package of the next WCB CEO is made public before the contract is signed?

Thank you.

MR. KLEIN: Mr. Speaker, unfortunately, relative to various commissions, authorities, and committees that operate at arm's length from the government, we have no control over what those boards set and establish for their CEOs. But the hon. member is right: I have said that I'm shocked by some of the salaries that are being paid and some of the severance payments. They are far more than any MLA, including the Premier and the Leader of the Official Opposition, would ever get or even anticipate. I would appeal once again publicly in this Legislature to those agencies to be reasonable in setting salaries and to be reasonable in making sure that severance packages and payments are fair.

MR. DUNFORD: There would be a way for the hon. member, who is so concerned about this particular issue, to have some direct input where it would matter, and that is the fact that the WCB is going to begin to have annual meetings. Those will be open to the public, and certainly, then, the hon. member from Edmonton-Gold Bar or from any other place in the province would be entitled to attend that meeting and, of course, would be there to ask questions. So I think he can find the information that he needs at that particular time.

THE SPEAKER: The hon. Member for Edmonton-Highlands, followed by the hon. Member for Edmonton-Castle Downs.

Municipal Funding

MR. MASON: Thank you very much, Mr. Speaker. Today's announcement of an extra \$155 million for municipal transportation projects has made a farce of this Finance minister's budget before it's even two days old. It's clear that this minister has presented a budget which isn't even worth the paper it's printed on. Albertans expect and demand a budget which is an accurate projection of revenues and expenditures, not a budget that is changed before the ink is even dry. My question is to the Minister of Finance. Why did the minister present a budget which not only misstated the amount of last year's surplus but also the amount budgeted for municipal transportation grants by \$155 million?

MRS. NELSON: Well, Mr. Speaker, on Tuesday we presented a budget in this Legislature. We clearly laid out a fiscal framework that has been applauded, quite frankly, as the Premier has already said, by the Investment Dealers Association of Canada and by another group of investment market players as well. The fiscal pulse group of Scotiabank said that "Alberta is perceived as the leader in fiscal repair among [all] the provinces." This was their quote on our budget. Also, the Investment Dealers Association said:

It is encouraging in this context to see that the government has incorporated prudent projections for economic growth next year and is contemplating further discretionary spending reductions to avoid a deficit and to continue on track with debt reduction. These commitments provide assurance of continued wealth creation, employment and sustainable economic growth in the province.

This budget was laid out, I believe, in a prudent and responsible fashion.

Today – and I hope the hon. member will understand – we're dealing with two different issues. Tuesday was the budget for the

next fiscal year, which starts April 1. Right now we're in the current fiscal year. Last October when we had to take corrective action and pull back \$1.26 billion, most of it came from Transportation and Infrastructure. At that time, we made the commitment that if in fact our fiscal situation for this current year – not next year's budget, which starts next month – improved, we would restore and proceed with some of those projects that were deferred or delayed.

Now, it's very important, Mr. Speaker, that . . .

THE SPEAKER: Hon. minister, it's three minutes that we're into this now.

The hon. member.

MR. MASON: Thank you very much, Mr. Speaker. I would like to ask the minister when Treasury Board approved the reduction in cuts to municipalities and why the Finance Minister or the responsible minister, in this case Transportation, did not disclose these changes to the budget of this year, this budget, last night when this House debated the Transportation estimates.

MRS. NELSON: As I was saying, last October, when we made corrective action, was when we had to make the decision to pull back on transportation and infrastructure programs for this current fiscal year, which ends next week. We have now received some – some, not all – of the preliminary final revenue numbers for the fourth quarter of this current fiscal year. We had said – and I even spoke of this in my budget speech – that if in fact those numbers were positive, we would honour the commitment that we had made last October to restore some of those projects that were deferred or delayed.

Those particular projects, based on the preliminary fourth-quarter numbers – remember, I won't have the final ones for probably another 60 days – were approved at a Treasury Board meeting today, this morning. So last night the Minister of Transportation in the estimates could not have put that before the House because Treasury Board had not approved that. This was the first opportunity, Mr. Speaker, that the Treasury Board had to come together with these preliminary numbers to see the request and look at what could in fact be done to meet the obligation that had been put forward last October.

2:00

MR. MASON: Mr. Speaker, given that yesterday in this House this Premier said that the municipalities would be pleased by an announcement to be made today, it is clear that the government knew that they were going to make these changes to the budget yesterday. I asked the Minister of Transportation last night, and he didn't tell us.

THE SPEAKER: Okay. We've now been six and a half minutes on this little series. I've been trying to keep this at three and a half to four, so brevity, please. Other members have an opportunity to participate too.

MRS. NELSON: Mr. Speaker, let's be very clear. I believe that Alberta's municipalities, including the two major centres, will be very pleased that we are able to proceed with this funding so that they can get on with their projects. This will carry them through to March 31, 2003. That was what was deferred and changed last fall. That has now been restored. Our budget, that was filed on Tuesday, will hold for the balance of that budget process.

THE SPEAKER: The hon. Member for Edmonton-Castle Downs, followed by the hon. Member for Edmonton-Riverview.

Steel Exports

MR. LUKASZUK: Thank you, Mr. Speaker. My first question is for the Minister of International and Intergovernmental Relations. At the beginning of March the President of the United States exempted Canadian steel imports from U.S. trade actions. As early as today other countries may be facing new import duties on steel in the United States. Can the minister clarify the situation facing Canadian and particularly Alberta steel exports into the United States?

MR. JONSON: Mr. Speaker, it is certainly correct that the United States government has imposed duties ranging from 30 to 8 percent on foreign steel coming into the United States. However, because of our membership along with Mexico and the United States in the North American free trade agreement, we are exempted from those duties. It is, I think, an example where the North American free trade agreement is working to our advantage in this province, and the sale of steel into the United States is continuing.

THE SPEAKER: The hon. member.

MR. LUKASZUK: Thank you, Mr. Speaker. My next question is to the same minister. Can the minister tell this House what actions the Alberta government has taken to safeguard Alberta's steel producers?

MR. JONSON: Mr. Speaker, the Alberta government has been involved in working with the Canadian steel industry, particularly the Alberta companies, to monitor this case and to make sure that as much as possible we would be exempted from these duties, and we have been. We've expressed our concern to the United States government. We've worked with the ambassador to the United States. I've written directly to him on this matter. In my correspondence I emphasized that the North American steel industry is an integrated market and that duties applied to Canadian steel would hurt the overall free-flow of product in this country and across North America and that it would also be a problem for U.S. manufacturers to not have that particular product available to them.

We've been in regular contact with the federal government. I've written to the federal Minister for International Trade on this matter. Overall our officials have been very much involved in contacts with the Canadian Steel Association, as I mentioned, and it's been a success story thus far in terms of our trading relationships.

THE SPEAKER: The hon. member.

MR. LUKASZUK: Thank you, Mr. Speaker. My last question is to the Minister of Economic Development. What is the overall value of Alberta's steel exports to the United States?

THE SPEAKER: The hon. minister.

MR. NORRIS: Well, thank you very much, Mr. Speaker. I'm delighted to answer this question. Given your earlier comments, I'll try and keep my answer short, but with so much good news to talk about, it's going to be very difficult. We have a thriving steel business in Alberta. In fact, AltaSteel, located in the hon. Minister of Children's Services' constituency, is a thriving business. They are a national leader in a rare grinding rod that is actually exported to the North American markets. In meetings with them yesterday, as a matter of fact, they wanted me to pass on their sincere thanks to the minister for his hard work and to this government for making the absolute best business platform in North America to operate from.

Because of that fact, the amount of exports is in excess of \$193 million and growing.

Thank you.

THE SPEAKER: The hon. Member for Edmonton-Riverview, followed by the hon. Member for Edmonton-Meadowlark.

Health Care Premiums

DR. TAFT: Thank you, Mr. Speaker. The dictionary defines a tax as "a compulsory contribution levied upon persons, property, or business for the support of government." Let me repeat that: "a compulsory contribution levied upon persons, property, or business for the support of government." You can look that up in your *Funk and Wagnalls*. To the Minister of Health and Wellness: are health care premiums compulsory for Albertans above the low-income cut off?

MR. MAR: Mr. Speaker, health care premiums are levied against Albertans, except of course those who are exempt, and there are numerous people in such categories.

But I want to give this quotation from *Hansard*:

I want to say that I think there is a value in having every family and every individual make some individual contribution. I think it has psychological value. I think it keeps the public aware of the cost and gives the people a sense of personal responsibility.

I'll be happy to table that quotation. I should note that it was said in a Legislature, not in Alberta's but in Saskatchewan's. It was not said in 2002 but in 1961. It was not said by the Alberta Minister of Health and Wellness. It was said by Tommy Douglas.

THE SPEAKER: The hon. member.

DR. TAFT: Thank you, Mr. Speaker. I'll take that as confirmation that it is compulsory.

Again to the Minister of Health and Wellness: are health care premiums levied upon persons and businesses for the support of the government?

MR. MAR: Mr. Speaker, it's clear that health care premiums are dedicated for the purposes of supporting our health care system in the province of Alberta. It is an important amount of money. For this year it will be approximately \$680 million on an overall budget of roughly 6 and a half billion dollars. It's an important contribution that Albertans make. If Albertans suggest that their health care system and if Canadians suggest that their health care system is valuable and important, then expecting a contribution from Albertans to support such an important system I think is a very good thing.

THE SPEAKER: The hon. member.

DR. TAFT: Thanks, Mr. Speaker. It's a remarkable announcement that they don't support the government.

In any case, will the minister agree that according to that dictionary definition, health care premiums are taxes?

MR. MAR: Mr. Speaker, this question has been raised by this member on a number of occasions. He has been reminded of the purpose of question period. It is not to engage in a debate over an opinion of what is a tax. It is for the purposes of asking questions about government policy.

THE SPEAKER: The hon. Member for Edmonton-Meadowlark, followed by the hon. Member for Edmonton-Centre.

High School Credit Enrollment Units

MR. MASKELL: Thank you, Mr. Speaker. Thanks to the creation of the CTS program, schools have been able to layer one-credit modules on top of three- or five-credit courses. Schools are able to bundle one-credit courses into packages that would give some students credits for the time spent on such things as leadership programs, performing arts productions, and athletic activities. This allowed many new enrichment opportunities for students. Some students do earn as many as 60 or more credits in a single school year. I've received questions from my constituents and former colleagues regarding an article in this morning's newspaper about changes to the high school enrollment credits, especially for grade 10 students. My questions are for the Minister of Learning. Can you please clarify what changes are being made?

THE SPEAKER: The hon. minister.

2:10

DR. OBERG: Well, thank you very much, Mr. Speaker. The hon. member has raised a very important issue for us. What we see when we look across the province is some school jurisdictions that have an average of 33 credits for grade 10. We have other school jurisdictions that have an average of 47, and as the hon. member alluded to, there are roughly 200 students in this province who take over 70 credits per year. We felt that it's extremely important to give equalized funding to the school boards, especially for the grade 10 students. There was a very unfortunate story that came out in the newspapers today about capping it at 37 credits. That was not our intention at all, and if anyone anticipates that as being our intention, I will say definitely that it is not.

We are going to a per student grant that will be significantly higher than the grade 9 student grant, but we in no way want to limit the amount of courses that a grade 10 student can take, nor do we want – and I really hesitate to find a word for this, Mr. Speaker, because all of the school boards were doing it within our rules. I do, however, want to fix a situation where we saw a significant number of school boards receiving considerably more money for things that the hon. member has talked about: leadership courses, et cetera, et cetera. We will be going to a per student grant. The details of this will be worked out, but I really want to assure the House and I want to assure the general public that there is no cap at 37 credits.

THE SPEAKER: The hon. member.

MR. MASKELL: Thank you, Mr. Speaker. There was a concern from people that for grade 10 students it may be 37.

Again, what calculations will be used to arrive at the appropriate funding for students, Mr. Minister?

DR. OBERG: Mr. Speaker, an average high school student course load is 35 credits. We recognize that there are a lot more opportunities. We recognize that a full course load, to utilize all the time, would be around 40 credits. So we are going to take a look in the 35 to 40 range. It will probably be closer to 40 when we come forward with a per student grant. But the key component is that we are not limiting the credits to 37. We will be coming forward with a per student grant, and in all likelihood there will be two categories, a part-time student and a full-time student, whether or not it's 30 credits or less or some variation thereof. Again I really feel this is important. I want to assure the parents, I want to assure the school boards and the school districts that there is no cap at 37 credits.

THE SPEAKER: The hon. member.

MR. MASKELL: Thank you, Mr. Speaker. Again to the same minister: why are these changes necessary?

DR. OBERG: Well, I alluded to it a little bit in my first answer, and you actually in your preamble alluded to the issue as well. When I see grade 10 students funded to the tune of something like \$1,500 more purely because they're in one school jurisdiction over the other, I have a problem with that. When we see average CEUs in one particular area of the province at 33 versus the average at 47 in another for the same grade 10 student, I have a big problem with that, Mr. Speaker. What we want to do is bring forward a system that is fair to the school boards as well as to the student. What has occurred is in no way an indictment of the school boards nor the schools themselves, as they were completely within our rules.

The other very important thing that I will say, as well, is that this recommendation is in one hundred percent alignment with what the Alberta Teachers' Association put forward in their suggestions for the new funding framework, where they state: schools would receive an annual basic instructional grant for each full-time equivalent student enrolled in the first years of high school based on 38 credits. So, Mr. Speaker, the Alberta Teachers' Association were very wise in what they said, and we feel that this is an important element and an important way to go.

THE SPEAKER: The hon. Member for Edmonton-Centre, followed by the hon. Member for Innisfail-Sylvan Lake.

Community Lottery Boards

MS BLAKEMAN: Thank you, Mr. Speaker. The Provost Senior Citizens' Society, Sedgewick school PAC, and the Wainwright Youth Initiatives Society have all benefited from locally controlled decision-making, a process which allowed communities to shape their future through allotment of community lottery board funds. My questions are all to the Minister of Gaming. Why have you stripped the funding and local decision-making power from communities?

MR. STEVENS: Mr. Speaker, when the hon. Minister of Finance a couple of days ago gave her budget speech, she indicated that there were some difficult decisions that were made in connection with the preparation of that budget. One of those difficult decisions was the discontinuance of the community lottery boards program. I would say that there's absolutely no doubt that the community lottery boards program, of which there are 88 throughout the province, has been doing good work in our communities, and the volunteers who are part of that particular program are doing and have done very good work. But as the hon. Minister of Finance indicated, the priorities of Albertans are also important. The decision was made that the funds with respect to the lottery fund would be prioritized so that Learning, Health, Children's Services, and debt repayment, which are priorities of all Albertans, would receive increased funding.

THE SPEAKER: The hon. member.

MS BLAKEMAN: Thanks, Mr. Speaker. Again to the Minister of Gaming: why have you cut the funding to community-based charitable organizations and failed to allocate it to any other locally controlled organizations when gaming revenues are increasing?

MR. STEVENS: Mr. Speaker, I'm very proud of the charitable model that we have here in Alberta. It's unique in all of Canada. In fact, I think it's important to spend a moment and talk about how

charities in this province benefit, because I think perhaps it's not a well-known fact.

There are two ways in which our charities benefit. One is through the charitable granting of licences. That would be for casinos or bingos or raffles or pull tickets. In 1996 that provided to Alberta charities something to the tune of \$109 million. In the last fiscal year, which was 2001, that was \$183 million. This year it's probably more likely to be \$190 million.

If you take a look at the funding for charities through the Alberta lottery fund portion, which is another component and which goes by way of grants to various foundations, five of which are in the Ministry of Community Development, one of which, the community facility enhancement grant program, is in Gaming, and you total that up with the charitable portion, some \$190 million, you have around \$275 million which this upcoming fiscal year will be available to charities in this province.

I would suggest to the opposition that they should check the other provinces and try and find someone who comes remotely close to providing the support to the volunteers in Alberta as we do.

MS BLAKEMAN: They fund them regularly up front.

Mr. Speaker, my third question is also to the Gaming minister. Given that this government goes on and on about getting decision-making out from under the dome, how does he explain this latest flip-flop in policy direction? Now you can have it; now you can't.

MR. STEVENS: The Alberta lottery fund was established as a result of the '98 gaming summit. What Albertans said to us is that they wanted us to establish a fund into which all government revenue from gaming would go so that there would be complete transparency with respect to how it was utilized. Albertans said to us that what they wanted was that the money would be spent on not-for-profit charitable community initiatives and that it would be spent on public initiatives. What has happened since that point in time is that all of the funds have been devoted in that fashion, and we have continued to maintain the trust that Albertans gave us in establishing that fund.

If the hon. members take a look at the lottery estimates, which are part of the material that forms the material on the budget, you will see that we continue to fund the community development foundations, that we continue to fund the good work that is done by our priority ministries such as Health and Learning and Community Services, arts and culture, and that we will be contributing approximately 25 percent of that particular fund in this upcoming year to the retirement of debt.

2:20 Industrial Development Regulatory Review

MR. OUELLETTE: Mr. Speaker, landowners have voiced concerns that it is difficult for them to understand and effectively participate in regulatory processes involving industrial development. They also feel like they get the runaround trying to find the right government department or agency that deals with this particular concern. The process they get caught up in can be both confusing and costly in terms of time and resources and might involve the Alberta Energy and Utilities Board, the Surface Rights Board, the departments of Environment and Sustainable Resource Development. Alberta Energy has in its current business plan a strategy to improve regulations and the approval process. Can the Minister of Energy clarify what is being done in this regard to help these landowners?

THE SPEAKER: The hon. minister.

MR. SMITH: Well, thanks, Mr. Speaker. I know that when we sit

and debate the budget and talk about estimates and all that – the hon. Member for Innisfail-Sylvan Lake has got to page 120 in the Energy business plan. He's got to goal 2.1, that says, "Advance the competitiveness of Alberta's energy and mineral resources," and it says, "Work with Alberta Environment, Alberta Sustainable Resource Development . . ." [interjections] No, no. Read the plan, guys. Just quiet down. Read the plan. It's a big book. You won't have any trouble with it. The print is small, though. It'll be tough.

Mr. Speaker, it says: to work with "regulations and approval processes for energy and mineral resource development, while maintaining and enhancing environmental and safety standards."

Mr. Speaker, the member makes a strong point. What we need to do is, one, look at it from the standpoint of efficiency. Those who spend some 20-plus billion dollars worth of capital in this province each year should have a regulatory agency that is as efficient as they are. Secondly, it's not a bad thing to innovate, to continue to find ways to be better, to be more efficient, and to be more responsive from a service perspective to those who interface with the government of Alberta and, lastly, to find always that appropriate balance between that of the landowner, that of the agricultural owner, that of the oil company, that of the environmentalist. That is one of the big jobs that we do as a government: find that right balance.

MR. OUELLETTE: Can you please outline for me, then, Mr. Minister, how you're going to achieve this?

MR. SMITH: Well, Mr. Speaker, we've worked hard on this initiative during the last 12 months with the departments of Environment, Sustainable Resource Development, and Agriculture, Food and Rural Development and the Alberta Energy and Utilities Board. The point man is one who knows a lot about this complex maze of regulations and one who has dedicated his career to balance. We've appointed Mr. Vance MacNichol, I think a name that's familiar to many around this House as a widely respected Albertan with extensive experience in the public and the regulatory sectors. The primary goal of the initiative is to ensure that all the parties can participate in this review so that we can find efficiency, innovation, service, and balance.

MR. OUELLETTE: Is this going to be a long, drawn-out affair? What is the time frame and expected outcome of this review?

MR. SMITH: We will move, Mr. Speaker, with dispatch and alacrity, and we see reporting back to this House in a 12- to 18-month time frame.

THE SPEAKER: The hon. Member for Edmonton-Strathcona, followed by the hon. Member for Calgary-Currie.

Budget Surplus

DR. PANNU: Thank you, Mr. Speaker. Budget 2002, as presented by the Finance minister less than two days ago, said that the forecast budget surplus for this fiscal year, 2001-2002, would be \$35 million. Yet less than 48 hours later the Minister of Transportation and then the Minister of Finance say: oops, we have miraculously found an extra \$155 million to pay for infrastructure and get the cities of Edmonton and Calgary off our backs. Talk about fudge-it budgeting. My question, though, to the Premier: why won't the Premier fire the Minister of Finance for putting false information in Budget 2002, information designed to mislead Albertans by understating the size of this year's budget surplus?

MR. KLEIN: Mr. Speaker, finance ministers are usually fired for overstating a case; in other words, when you say that you're going to have no deficit, knowing full well that you don't have the resources, and you do run a deficit. That's when not only ministers but governments get fired. You know, it sort of happened in British Columbia, when statements were made that they were going to eliminate the deficit and that indeed was not the case.

Mr. Speaker, as I explained earlier in this House, no one can predict with a hundred percent accuracy what the surplus is going to be. World economic situations change almost on a daily basis. Budget adjustments are made virtually after every quarter. The Finance minister saw that perhaps the budget surplus is going to be larger than anticipated. She cranked up some figures that are estimates at this particular time, took that matter to Treasury Board yesterday and got approval to make the appropriate expenditures.

MRS. NELSON: Today, Mr. Premier.

MR. KLEIN: Today went to Treasury Board; I'm sorry. These are expenditures that for the most part should make the municipalities happy. The only people unhappy about it are the NDs.

THE SPEAKER: The hon. member.

DR. PANNU: Thank you, Mr. Speaker. I wish the government could tell yesterday from today.

Why does this government show contempt for the Assembly by allowing debate on the Ministry of Transportation to proceed yesterday evening when the numbers contained in those estimates were clearly in error and the government knew it?

MR. KLEIN: Mr. Speaker, the debate that took place – and I assume it was the debate on the budget – was to debate the current budget, which is for the years 2002-2003.

DR. PANNU: Mr. Speaker, how does the Premier expect Albertans to swallow the \$722 million in tax and user fee hikes, including the 30 percent hike in health tax, now that they know that the government is hiding hundreds of millions of dollars of surplus from them?

MR. KLEIN: Mr. Speaker, I know that the hon. leader of the third party is a university professor, and, you know, that makes him smart and educated, but it does not make him a crystal ball gazer. I would challenge him today to stand up in this House and predict with a hundred percent accuracy what the situation is going to be a year hence. You know, not even Professor Pannu can do that.
[interjections]

THE SPEAKER: Actually, hon. members, the World Wrestling Federation event was in Toronto this past week. This is the Legislative Assembly of the province of Alberta.

The hon. Member for Calgary-Currie, followed by the hon. Member for Edmonton-Mill Woods.

Regulatory Requirements for Secondary Suites

MR. LORD: Thank you, Mr. Speaker. Homelessness and the lack of affordable housing continues to be a serious concern in Alberta. At the same time, there are many barriers preventing thousands and maybe even tens of thousands of private citizens in this province from being able to create an affordable housing unit such as a secondary suite in their own homes. If these barriers were to be addressed through policy changes, it would not only largely alleviate

the housing problems we now face, but it would also allow many Albertans to earn additional income, helping them with their mortgage payments and reducing pressures for government intervention in this area. My questions are to the Minister of Municipal Affairs. Is your department conducting any kind of comprehensive review or study to examine regulatory requirements for secondary suites?

2:30

THE SPEAKER: The hon. minister.

MR. BOUTILIER: Yes. Thank you, Mr. Speaker. First and foremost, the safety of all Albertans is our main concern. Yes, we are doing a regulatory review. We're going to be consulting with many of our stakeholders, and at the end of the day we want to strike the right balance in protecting Albertans but, at the same time, alleviating some of the tremendous affordable housing problems we're having in the big cities and many other rural communities across this province.

THE SPEAKER: The hon. member.

MR. LORD: Thank you. Is the government going to be compromising the safety of Albertans if it allows this type of accommodation to be built?

MR. BOUTILIER: Mr. Speaker, absolutely not.

MR. LORD: Given that there may be residents who might have concerns regarding secondary suites, would the minister please elaborate on who is being consulted in this study?

THE SPEAKER: The hon. minister.

MR. BOUTILIER: Yes. Thank you, Mr. Speaker. That's a good question. In this regard we're consulting with municipalities: mayors and councillors and aldermen. We're consulting with reeves. We're dealing with developers, code-enforcing authorities. We're looking at a whole web of people that will play a part in terms of ensuring that safety. Let me conclude by saying this. It's presently known yet it's difficult to determine that many in the urban centres are having two and three families in the high-growth areas living in secondary suites illegally. We want to avoid that happening, so we're always looking at flexibility, ensuring the safety but also dealing with the demands of the ever growing number of people that are coming to Alberta and looking for the affordable housing that we provide in this province.

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

Child Care Workers

DR. MASSEY: Thank you, Mr. Speaker. This morning child care advocates met on the Assembly steps to plead the case of pre-five year olds. They feel that the government has abandoned those who work in the interests of those children. My questions are to the Minister of Children's Services. How can the minister justify the miserably low salaries paid to so many of these caregivers?

MS EVANS: Mr. Speaker, a number of times in the House in the last six months this sort of question has come forward. We have concerns about the salaries that employers, not this government, are paying to the workers. For that reason, we've done a study through KPMG not only on behalf of day care providers but more recently

on behalf of family day homes. We do subsidize a significant number of parents and children – 12,147 children, I believe, last year and over \$50 million worth of subsidies. Rather than subsidize the day care operators and then trust them to provide those dollars for the staff, we provide subsidies through to the families to benefit their children and to allow the families to look for the very best possible care alternatives within the day care community. We are very sensitive to the issues that have been raised in the last six months. Adding the day home to this examination I think will give us a clear picture.

One more comment, Mr. Speaker. If people review these budgets for this coming year, they'll note that there are significantly more dollars in the early intervention portion of our budget for work with the early child care community to ensure that the best interests of the child are maintained, and we are looking very carefully at those issues.

THE SPEAKER: The hon. member.

DR. MASSEY: Thank you. Again to the same minister: what action has the minister taken to prevent the bleeding away of students from early childhood programs due to the poor conditions in the field?

MS EVANS: Well, Mr. Speaker, it's much more complex than attributing it to poor conditions in the field. It is part of what has been a very buoyant labour market in Alberta where people can choose to move to other positions. It's been problematic; there's no doubt about it. But it is not exclusively the problem of the government. When people make choices to move on or to gain additional training, that is in fact their choice. We continue to work to try and develop programs, and more recently I asked the department to look at whether or not we can provide additional training for day care workers throughout the province in conjunction with the training we provide for social workers. So we're looking at ways of improving the opportunities for people working in the child care industry.

THE SPEAKER: The hon. member.

DR. MASSEY: Thank you. Again to the same minister: what actions has the minister taken to ensure that graduates of those early childhood programs actually end up in child care situations?

MS EVANS: Well, Mr. Speaker, there are a number of things that we have done. As I've identified already in previous responses, I think that over the next couple of months, as we come out with more comments about our early child development programs in conjunction with communities, there will be more program announcements that will continue to support and make this industry more appealing.

Mr. Speaker, this is not a phenomenon that is targeted only in Alberta. Throughout Canada early child care workers have had a significantly lower salary scale than other areas, and I have great confidence in what one worker told me recently. She said: I'm not here for the money; I'm here for the love of the children.

THE SPEAKER: To the six hon. members who advised that they wanted to participate in question period today and were unable to get in, my apologies.

Hon. members, there's a mood in the House today. I think we'll just give 30 seconds for those who feel excited about being elsewhere to actually leave, and then we'll start with Members' Statements.

head: **Members' Statements**

THE SPEAKER: The hon. Member for Calgary-Montrose.

International Day for the Elimination of Racial Discrimination

MR. PHAM: Thank you, Mr. Speaker. It is an honour to rise to recognize the International Day for the Elimination of Racial Discrimination, March 21. The United Nations first recognized this day in 1966, designated in memory of anti-apartheid demonstrators killed or injured in Sharpeville, South Africa, in 1960. Canada was one of the first countries to support this UN declaration, and it began recognizing this day on a national basis 13 years ago.

This issue is very important to all of us, because when a person is being discriminated against and prevented from reaching his full potential, we all lose as a society. In Alberta any form of racial discrimination is strictly prohibited. Legislation such as the Alberta Bill of Rights and the Human Rights, Citizenship and Multiculturalism Act are there to protect the human rights of all Albertans. Our government is very proactive in this area.

While it is our legal obligation to deal with any human rights violation in Alberta, we would prefer that none occur at all. That is why the human rights, citizenship and multiculturalism education fund was created. This fund provides financial assistance and works in partnership with community organizations and public institutions to ensure that everyone has access to social, economic, and cultural opportunities on a fair and equal basis regardless of cultural or visible differences. As chair of the committee I would like to thank the Premier, the Minister of Community Development, and members of the committee for their support. I would also like to thank the thousands of volunteers who have worked tirelessly over the years for a province free of discrimination, which all of us can proudly call home.

Thank you, Mr. Speaker.

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

Teachers' Labour Dispute

MR. MacDONALD: Thank you, Mr. Speaker. Teachers are the backbone of our civilization. To many children teachers present the only hope for the future. The tireless efforts of teachers to improve the minds not only of students who are bright but also those who struggle ensure that all young Albertans get a chance to make a success of their lives. I'm sure that almost all Albertans recognize the enormous gifts to society that teachers offer day after day. That is why the government's attack on teachers in the form of Bill 12 is an affront to those who value the teaching profession.

2:40

Most Albertans would want to see a conflict with teachers resolved peacefully with goodwill on both sides, but the government has other plans. Most Albertans would want the government to improve the conditions in which teachers work, which are also conditions in which our children learn, but the government has other plans. Most Albertans would object to their fellow workers in the teaching profession having their democratic rights stripped away, but the government has other plans.

The government's plan for teachers and everyone involved in our schools is to demoralize them until their spirits reach their lowest point in history. The government's plan is to allow classroom conditions to deteriorate until even the brightest students will have to struggle to stay ahead. In short, the government's plan, if carried out successfully, is to turn the best public education system in Canada into the worst.

I would like to say that I applaud the efforts of any teacher to continue their dedication to children under such conditions. The

efforts of teachers will not go unnoticed by Albertans even if they go unnoticed by this current government.

Thank you, Mr. Speaker.

Tartan Day

MS GRAHAM: Mr. Speaker, on April 6, while the Legislature is in recess, Tartan Day will be celebrated across Alberta, Canada, and many parts of the world. April 6 is important to Scots, for on that day in 1320 Scottish nobles including four Grahams gathered at the Abbey of Arbroath in Arbroath, Scotland, where they pledged to defend Scotland from persecution and foreign domination. The declaration of Arbroath, which the nobles signed, is written in the form of a letter to the Pope, and it is now recognized across the world as one of the first expressions by a people of the rights of all humanity to a peaceful, productive, and secure life. It has become a symbol of freedom from oppression and of democratic government and was used as a model for the American declaration of independence. I've provided all hon. members with their own copy of the declaration. It is an inspirational document to read.

Tartan Day is also a way of recognizing the symbol of Scottish culture and Scottish clans. It provides an opportunity to honour the very significant contribution made by the Scots past and present to Alberta society. Mr. Speaker, our history, our politics, laws, institutions, academia, business, and industry have all been very positively influenced by people of Scottish descent.

Today I am wearing the new Alberta dress tartan, which was formally endorsed by this Legislature two years ago as an official symbol of Alberta. It is a district tartan, which everyone in Alberta is entitled to wear. Whenever I wear it, it is well received, and I thank the Member for Calgary-Glenmore for sponsoring this bill. I also wish to thank the former Member for Calgary-Bow, Bonnie Laing, for establishing the tradition of recognizing Tartan Day in the Legislature.

I ask all members to join with me in recognizing Tartan Day for the meaning it has for Scots and non-Scots alike.

THE SPEAKER: The hon. Member for Edmonton-Glengarry.

Civil War in Sudan

MR. BONNER: Thank you, Mr. Speaker. For nearly 18 years the government of Sudan has waged a brutal campaign of death and destruction. Over 2 million people have perished and 4 and a half million Sudanese have been driven from their homes, which makes them the world's largest displaced persons population.

Sudan's civil war and the Sudanese government's genocidal policies have taken a terrible toll on the civilians of that country. The situation is rapidly getting worse and must be seriously addressed before the scale of death and destruction increases. Until 1999 the government of Sudan was in default to the International Monetary Fund and other international lenders. In August of 1999 oil developed in south Sudan by foreign companies in a joint venture with the Khartoum government came onstream and has begun to provide windfall profits for the regime. Talisman Energy of Canada and the Chinese government's PetroChina are Khartoum's two major oil partners.

On November 8, 2001, in the Southern District of New York a class action complaint was filed against Talisman Energy of Calgary, Canada. The complaint charges Talisman with violations of international law for participating in the Sudanese government's ethnic cleansing of black and non-Muslim minorities in an area where Talisman is exploring for oil. In an article in the *New York*

Times dated March 17, 2002, President Bush last May called Sudan "a disaster for all human rights."

About two years ago the Holocaust Memorial Day and Genocide Remembrance Act was passed in this House. It urged Albertans "to consider other times and incidents of systematic violence, genocide, persecution, racism and hatred that call out to us from the past or continue today." Mr. Speaker, the heritage savings trust fund continues to invest in Talisman. When Albertans buy shares in a company through the heritage savings trust fund, it is taking partial ownership of that company. With ownership comes responsibility, including social and ethical responsibility. I believe we should support the Holocaust Memorial Day and Genocide Remembrance Act and establish a policy of ethical investing for the heritage savings trust fund. Albertans deserve to know that their money is not being used by companies engaged in unethical activity such as human rights abuses.

Thank you.

Speaker's Ruling Members' Statements

THE SPEAKER: Hon. members, I guess it is the day before a break in this Assembly or something, but one of the traditions about Members' Statements is that this was done as a result of a Standing Order modification in this Assembly by all members. The intent was very, very clear. In Members' Statements time a member would be given up to two minutes to express any views that they want on any particular subject that they want. It was also quite clear from the outset that there would be no points of order accepted, no points of privilege accepted, and it would be an opportunity for a member to voice their views as they feel it appropriate to voice them.

Now, it has actually worked quite well most times. In the past there have been members who have tried to rise on a point of order and interject, and the chair has said: no, there are no points of order accepted. From time to time there are some interjections from other hon. members. If an hon. member disagrees with what an hon. member is saying, take advantage of the next opportunity to rise and participate in Members' Statements. It would be quite accepted. If an hon. member feels that they're denied that and they're members of Executive Council, take advantage of the opportunity afforded under Ministerial Statements to make a statement. That is certainly a provision provided to anyone on Executive Council at any time.

head: Presenting Petitions

THE SPEAKER: I'm now going to recognize the hon. Member for Calgary-Lougheed.

MS GRAHAM: Thank you, Mr. Speaker. As chair of the Standing Committee on Private Bills I now request leave to present the following petition that has been received for a private bill under Standing Order 93(2): the petition of Bishop Victoria Matthews and David Phillip Jones, QC, for the Synod of the Diocese of Edmonton Amendment Act, 2002.

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

DR. PANNU: Thank you, Mr. Speaker. Earlier today I introduced some guests. They're sitting in the Assembly in the public gallery. This petition speaks to their concerns and represents their interests. The petition is signed by 400 Albertans and reads as follows:

We the undersigned residents of Alberta petition the Legislative Assembly to urge the Government of Alberta to provide health care coverage for medical supplies for diabetic children under the Alberta Health Care Plan and provide financial assistance to parents to

enable them to meet their children's necessary dietary requirements and cover costs incurred in traveling to Diabetes Education and Treatment Centres outside their own communities in Alberta.

Thank you, Mr. Speaker.

2:50

head: **Notices of Motions**

THE SPEAKER: The hon. Deputy Government House Leader.

MR. ZWOZDESKY: Thank you, Mr. Speaker. I rise pursuant to Standing Order 34(2)(a) to give notice that on the Monday when next we meet, I will move that written questions appearing on the Order Paper do stand and retain their places.

I'm also giving notice that on the Monday when next we meet, I will move that motions for returns appearing on that day's Order Paper do also stand and retain their places.

head: **Tabling Returns and Reports**

THE SPEAKER: The hon. Minister of Environment.

DR. TAYLOR: Thank you, Mr. Speaker. On behalf of myself and my hon. colleague the Minister of Sustainable Resource Development I am pleased to table five copies of a report called Compliance Assessment and Enforcement Activities. This outlines the assessment and enforcement activities that we engaged in last year. We laid almost 6,000 charges under our legislation last year, so it very clearly indicates that we are enforcing our legislation. I would encourage all members, particularly members opposite, to read this.

Thank you.

THE SPEAKER: The hon. Leader of the Official Opposition.

DR. NICOL: Thank you, Mr. Speaker. I rise today to table what is a letter, with multiple signatures on it, from about 600 people in southern Alberta who want to see increased support for persons with developmental disabilities. This brings to about 1,500 the total number of these letters that we've tabled in the Legislature to date.

Thank you.

THE SPEAKER: The hon. Member for Edmonton-Glenarry.

MR. BONNER: Thank you, Mr. Speaker. I would like to table the appropriate number of copies of a class action complaint between the Presbyterian Church of Sudan and Talisman Energy Inc., and this is in the United States District Court for the Southern District of New York.

Thank you.

THE SPEAKER: The hon. Member for Edmonton-Highlands.

MR. MASON: Thank you very much, Mr. Speaker. I have two tablings today. The first tabling contains five copies of 214 postcards addressed to the Premier and his cabinet requesting them to increase AISH benefits from \$855 per month to \$1,464 per month, keeping intact medical benefits coverage.

The second tabling is the February 2002 issue of the *Parents of Kids Experiencing Diabetes* newsletter. In this issue the Griffin family details their experiences with their diabetic child and how the Ministry of Children's Services appeal after appeal has failed to provide assistance to them.

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

MR. MacDONALD: Thank you very much, Mr. Speaker. I would like to table this afternoon for the benefit of all hon. members of the Assembly the forecast and the actual price from yesterday, March 20, from the Power Pool web site for electricity costs in the province, and it's noted that at noontime yesterday the cost was 46.3 cents a kilowatt-hour and then at 8 o'clock last night it was 67.6 cents a kilowatt-hour. Surely these prices wouldn't be that unstable under a regulated electricity market. It indicates that as the temperature goes down, the price of electricity goes up.

Thank you.

head: **Projected Government Business**

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

DR. MASSEY: Thank you, Mr. Speaker. I wonder if the Government House Leader would share with the Assembly the projected government business for the week of April 8.

THE SPEAKER: The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Speaker. Well, as members of the House will know, during the week of April 8 we'll be seriously into Committee of Supply, as has been scheduled and noted on the Order Paper. For the purposes of projected government business I would advise that on Monday, April 8, under Government Bills and Orders at 9 p.m. for second reading bills 14, 16, 19, 20, and 21; in Committee of the Whole Bill 11; and as per the Order Paper.

On Tuesday, April 9, in the afternoon under Government Bills and Orders day 4 of 24 on the main estimates, with the department of health having been designated, and as per the Order Paper, time permitting. At 8 p.m. under Government Bills and Orders on that day in Committee of Supply the main estimates for Executive Council and as per the Order Paper.

On Wednesday, April 10, under Government Bills and Orders in Committee of Supply the main estimates as designated by the opposition, Children's Services, and as per the Order Paper. At 8 p.m. under Government Bills and Orders in Committee of Supply the main estimates for Economic Development and as per the Order Paper.

On Thursday afternoon, April 11, under Government Bills and Orders in Committee of Supply the main estimates as designated by the opposition, Human Resources and Employment, and as per the Order Paper.

head: **Orders of the Day**

Government Bills and Orders

THE SPEAKER: Hon. Government House Leader, did you want to do something?

MR. HANCOCK: Why, yes, Mr. Speaker. I would be pleased to ask that the House consider the same request we made yesterday afternoon until we can regularize the Standing Orders to deal with estimates in Committee of Supply as we have all agreed they should be dealt with. We ask for the unanimous consent of the House to do the same thing exactly that we did yesterday: to allow this afternoon's consideration of the estimates of the Department of Government Services to go beyond two hours with the vote on these estimates to take place no later than 5:15 p.m. as per Standing Order 58(5) or sooner if no one wishes to speak.

[Unanimous consent granted]

head: Committee of Supply

[Mr. Shariff in the chair]

THE DEPUTY CHAIR: We'll call the committee to order.

head: Main Estimates 2002-03

Government Services

THE DEPUTY CHAIR: The hon. minister. [some applause]

MR. COUTTS: Thank you very much, Mr. Chairman, and thank you to a couple of my colleagues here in the House for their support. It's a pleasure for me this afternoon to stand before this Assembly and have the opportunity to speak about the Government Services business plan and the estimates that are before it.

First of all, before I get into some of the details, I just want to take the opportunity to thank members of this House, particularly on the government side, for the time and the effort that they have put into the business plan that has helped us put forward the estimates of Government Services for 2002-2003. Their attendance at standing policy committee meetings and their attendance at other meetings has certainly helped us develop the way Government Services goes about and does its business. That support and their in-depth probing, their wise questions and support at the time is very valuable in helping to bring forward the business plan that we have.

3:00

I also want to extend my thanks to members of the opposition who have offered input from time to time to help us again in Government Services make the kinds of changes that are needed to make the service that we have available to Albertans a better one.

It's my intent today to provide an overview of our business plan and our financial plan, and then after the overview I'm certain that members opposite as well as, at an appropriate time, members from the committee can join in some questions, and I make this commitment: that for any questions that I can't answer or don't have time to answer today, I'll make sure that we go through the *Hansard* record and our department staff will supply the appropriate responses. That's a service that we've done in the past, and we will commit to doing that.

One thing we found out during our deliberations is that the Government Services' mandate is definitely a twofold mandate, and that mandate is outlined on page 234 of our estimates. We provide a great variety of licensing, registry, and consumer protection services directly to Albertans – that's directly to Albertans – and we also provide service improvement initiatives on behalf of the government of Alberta. So we have an internal service as well.

Specifically, our mission is to serve Albertans by "providing effective access to government information and services" but at the same time "protecting [people's] privacy and promoting a fair marketplace." Under licensing and registration services – that's our first and probably our most important goal – is to allow accessible and secure and competitively priced licensing and registration services to all corners of this province. Many of these services are delivered through neighbourhood registry agents or on the Internet, and we have a comprehensive accountability framework in place to ensure that service standards are achieved and clients are well satisfied. As a matter of fact, Mr. Chairman, our client satisfaction rates are very high, and they range anywhere from 80 to 93 percent satisfaction.

Recently, though, we have seen some news reports regarding forgery, and those were charges laid against registry agents' employees and particularly, just recently, in Calgary. These charges

involve three of approximately 1,000 employees working in our registry agents' offices across the province. It's very regrettable that these things do happen but also a very isolated incident. One of the things that we do in our registry system and with the people that we have working within the department is we have a policy of co-operating with our stakeholders, and in these particular instances we co-operated with the Calgary Police Service on investigations. For example, our system makes it possible to tell us and to tell the police exactly which drivers' licences were changed by the clerks in question.

Thankfully, identification fraud is not an extensive problem in Alberta, but it is true that we must ever remain vigilant. The time is right to upgrade our driver's licence, and I will be presenting some ideas to the ministerial task force and security for keeping Alberta's driver's licence secure. Indeed, we have already taken measures like freezing the date of birth field on records so that clerks cannot make changes without authorization.

Now, this action in itself is going to slow up some of the service delivery at our registry agents' locations, and I'm sure that as a result of that, our satisfaction rate will go down next year. But this is a necessary thing to do in trying to provide the best service that we possibly can for Albertans but also a safe service.

We're also looking, working with our stakeholders, at improving a hiring policy that would implement criminal record checks or security clearance checks on all registry agent staff, and we're doing that in co-operation with the Registry Agents Association. We've already had a number of meetings on how we could implement such a policy, and we will be definitely doing that in the near future.

Another significant change in the estimates for this goal involves fee increases for motor vehicle services. Motor vehicle fees have not been significantly adjusted over 12 years despite the 29 percent increase in inflation over this period. Consequently, the fees have not covered the cost of maintaining the motor vehicle registry system. The fees will amount to an extra \$45 million for 2002, which will bring Alberta's motor vehicle revenues closer in line with what's being spent in that area. Every effort was made to keep the new fees fair and equitable, especially when it came to services commonly accessed by Albertans. As such, although some of our fees admittedly are higher than the national average, many of our fees remain competitive or even lower. The cost recovery that we will achieve through these increases will free up dollars for other key priority items like health and education.

About \$13 million of those fees will also be used to begin important upgrades in three of Alberta's registry systems. As I have discussed on previous occasions, these systems are 20 years old, and upgrades must begin now to keep up with the growing demands as well as to continue to provide the key government programs and superior services that Albertans have come to expect. With the addition of this new funding, our registry and licensing core businesses consume 79 percent, or \$45.5 million, of our resources. However, it does generate revenue of \$305 million.

Our second goal, Mr. Chairman, is to inform consumers and businesses about the high standard of marketplace conduct. Our call centre and our investigators go out into Alberta and deal with issues ranging from unfair trade practices, home renovations, loan and collection practices, things like Canada 3000, travel clubs, charitable fund-raising, and landlord and tenant concerns. This year we completed over 1,800 investigations and recovered more than \$200,000 for Albertans. Our measure of success is based on client satisfaction, consumer education, and reduced telemarketing fraud. In particular, we have been very successful in keeping our customers happy, and we have attained over 80 percent satisfaction rate in this area. Consumer programs absorb 15 percent, or \$8.4 million, of our resources.

Our third goal, Mr. Chairman, relates to the One Window initiative, which we believe, when unveiled, will increase Albertans' satisfaction with their ability to conveniently and easily access government services without having to know which ministry to contact. Based on consultations, we will now be calling this initiative Service Alberta rather than One Window. When this is fully implemented, the Service Alberta system will allow services to be provided through the Internet, telephone, mail, fax, and over the counter and will ensure that all customers receive the same information. Key success factors will be Albertans' satisfaction with their access to services and our ability to ensure their privacy and security no matter which service channel they choose. In June we will introduce phase 1 of One Window, or Service Alberta, through the integrated web site and our call centre. Albertans' needs and satisfaction will be closely monitored and will guide us as we move forward. This initiative uses about 2 percent, or \$1 million, of our resources.

3:10

Our fourth goal is to deliver economical and efficient support services to all ministries of government through the Alberta Corporate Service Centre. In the upcoming year the Alberta Corporate Service Centre will begin to deliver services to such agencies, boards, and commissions. As well, ministries continue to increase the scope and volume of their service requirements, which is reflected in the increased budget for 2002-2003. Continuing to implement best practices and streamline the way services are delivered will be key to the Corporate Service Centre's success in achieving cost savings. To date these savings are at the \$17 million mark with a further \$4.2 million expected in 2002-2003. All of the Alberta Corporate Service Centre's costs of \$152 million are charged back to ministries, so the net expenditure is actually zero to Government Services, as is shown on page 232 of the business plan.

Other support services that we have, which take up our fifth and sixth goals, are to provide efficient access to information, to protect privacy, and simply to reduce government regulations. Key initiatives relate to the preparation of private-sector privacy legislation and the review of the FOIP Act. As well, we continue to work with an effective information management framework as well as promoting effective ways of managing records by providing advice on standards and best practices, training staff, and encouraging co-ordination between ministries, the Alberta Corporate Service Centre, and the Provincial Archives. Lastly, work continues to ensure that regulations in existence prior to January 1, 1996, are reviewed by the end of 2003. The priorities in both of these goals, 5 and 6, take up about 4 percent, or \$2.3 million, of our resources.

Mr. Chairman, that gives you an overdue overview – yeah, it is an overdue overview – of what Government Services does and some of the expectations for next year. In dealing with the financial restraints that we have in Government Services as well as the challenges that we have within the department to make sure that our service is safe and secure and that privacy is protected as well as making sure that the service is given to all Albertans as well as to ministries, I have to thank some people who helped me keep my job and put this together for me. These people work very, very hard on behalf of Albertans, and they're in the gallery today, and I just want to introduce the staff that helps me put this together.

My deputy minister, Roger Jackson, is right there in the middle of the first row, and right beside my deputy minister, Roger, is the assistant deputy minister of registries and consumer services, and I'll tell you: this lady certainly knows the registry system inside and out. She has been all across this province talking to registry agents and making sure that Albertans get the best possible, safe service that is

available, and that's Laurie Beveridge, our assistant deputy minister.

Just to my left, to Roger's right, is the senior financial officer and the one who keeps all the books not only straight for the department but also has the additional responsibility of the Alberta Corporate Service Centre, and that's Sue Bohaichuk, our CEO of financial services. In the second row there I see a lady who has been the managing director of the Alberta One Window project and has worked very, very diligently with very, very little resources but has come up with a phenomenal response to this One Window concept, and Service Alberta is a success only because of Wilma Haas and her staff. Wilma is up on it.

Of course, I talked so much about the Alberta Corporate Service Centre and the savings that we've achieved because of the insight of the CEO of the Corporate Service Centre, Dave Rehill, there in the back row too. Another Dave sitting right beside him is my executive assistant in office 203. If you need something, Dave Keto, my executive assistant, certainly looks after you.

With that, Mr. Chairman, I make the commitment that if I am unable to get all the questions answered this afternoon, if there's not enough time, we will certainly do our best to review *Hansard* and get back to the questions that come from the opposition as well as any member of the Assembly.

Thank you very much for your time.

THE DEPUTY CHAIR: The hon. Member for Edmonton-Centre.

MS BLAKEMAN: Thanks very much, Mr. Chairman. I have prevailed upon my colleague the critic for this department to allow me to go first, because I just find this such an interesting department and there are so many pieces of legislation underneath it that really touch people's lives. So there are four areas that I'd like to touch on quickly and get some written responses back from you, because I don't expect you to know this off the top of your head.

There's an issue that has come up, and it's actually touching on two different pieces of legislation. What I'm looking for is whether there are any plans in the works to have a review, a public consultation, some research done to change the legislation.

We're talking about a budget here. I'm looking to see if you're going to spend money around this issue, and I'll describe it.

ATCO Gas has offered a refund as a result of its sale of the Kinsella fields. When that refund goes to condominiums, which I have a lot of in my riding of Edmonton-Centre, and certainly the high-rise condominiums that have one meter and any condominium or high-rise apartment building that has one meter, they would have received one rebate cheque, which would have gone directly to the condominium board. What I'm hearing are a lot of concerns of owners that they are not able to have an open dialogue with their condominium board. People feel they should have had the rebate come directly to them, or if it went to the condo board, it should have been divvied up and a cheque gone to each of the owners. That's not what's happened.

So there's a question there about whether we could be looking at opening up the condominium act again – and I take a deep breath as I say this – to deal with the issue of the relationship between the condominium boards and the owners. One of the things I was talking about with someone this afternoon was maybe looking at having something in the act – and again you'd have to do the research on it – that would allow a certain percentage of the owners, if they got together, to call a demand meeting and demand a meeting with the condominium board, which would at least get them all in one room talking together. There really seems to be frustration and a lack of information from the owners in dealing with their own condominium board.

A further and an ancillary issue around that is the Societies Act. I have tracked this all the way through to the one person in your department that actually deals with the monitoring and enforcement of the Societies Act. Indeed, some of the condo boards that I was just talking about have constituted themselves as a society, and therefore they would fall under the jurisdiction of the Societies Act. But with the nonprofits again it's a question of the membership not being able to get their board of directors to respond to them. It's very frustrating when they do the right things. They go to the annual general meeting. They try and get something on the agenda. They try and have a look at the financial statements.

This is by no means happening with every nonprofit, but, boy, for the ones where it is happening, it sure affects their membership, and it really creates a very poisonous atmosphere. Again it's because people just can't get the information and can't compel their condo board to give it. Even if it's written in their constitution that they're supposed to supply this information, what does the group do if the condo board doesn't do it? And if you follow it all the way through to the lovely lady in your department, her answer is: I'm sorry; we do not monitor or enforce the Societies Act. So these groups have no recourse through the government, and seeing as the Societies Act is essentially a consumer protection piece of legislation, I hold the government responsible here. I think that they're letting down a large sector.

3:20

As we know, the voluntary sector, the nonprofit sector, is growing in Alberta and in Canada. It's huge. I mean, look at all the things that this government alone has downloaded onto the nonprofit sector. We really need to be giving these groups some backup and some legislative support, so I'm looking for the teeth here, and there hasn't been any so far. But when we look to the future, I seriously think that the minister's going have to get some teeth in there. So that was the condominium act and the Societies Act.

Third, when I'm looking at the fee structure, the planned fee changes, for increases, I wonder whether the minister had a legal opinion as to the Eurig decision. It was a mere few years ago that we were in this Assembly and having to respond to the Eurig decision. That is a decision that happened in Ontario in which the government was challenged as to whether the amount of money that was being charged for service was a fee or a tax. It was decided by the court that a fee is reflective of the administrative cost of delivering that particular service.

So, Mr. Minister, when I look at this and I see that the administrative cost of delivering a vehicle registration for a passenger vehicle is \$48, what is the minister doing to justify that it's going up to \$61? What additional administrative function is this department doing for that extra amount of money? What are we talking here? Thirteen dollars. Well, lots of people don't even make \$13 an hour, certainly not day care workers, who make 8 bucks an hour. So I think there is an issue here around the Eurig decision. I'm wondering if he got legal advice on this. If he did, I'd like to know what it is. I'd like to know how he's justifying these increases. Some of these are whopping increases. And this is supposed to reflect the cost of the administration, so this is the paper pushing that happens to register a vehicle. So we're going from \$48 to \$61 for a passenger vehicle.

Now my favourite. I own a snowmobile, as you know. I'm a snowmobiler. So when I look at motorcycle and off-highway vehicle registration, it's going from \$30 to \$36. What on earth are you doing for an extra 6 bucks a year for my snowmobile registration, which I can only operate in this country, if I'm lucky, four months a year? This is a rip-off. And I'm now registering two machines, 30 bucks twice: 60 bucks you guys are getting off of me

for two snowmobiles. What are you doing? It cannot cost you that much money. If we're just talking about paper pushing here, somebody that's taking a slip of paper and putting it in a computer or walking it across the hall or checking, whatever has to happen, then we're talking paperwork. Why does it cost \$48 for a car – well, this is the current rate – and \$30 for a snowmobile registration? It's paperwork. What additional paperwork are you doing for a car that you're not doing for a snowmobile? I'd just like to see the justification for that. [interjections] On behalf of snowmobilers everywhere.

MR. MacDONALD: Don't forget the trailer that you've got to pull the snowmobile with.

MS BLAKEMAN: Ooh, the trailer. You're absolutely right. Oh, yeah. This is where you're going get me again. It may be just a onetime fee, sir, but that onetime fee for a trailer pulled by a licensed vehicle is going from \$30 to a hundred dollars. A hundred dollars. I didn't pay a hundred bucks for my trailer. It's going cost me more to register it than it did for the actual trailer. I mean, come on. What is the justification to move from \$30 to \$100? Except that the government needs money, and they're going to try to get it out of people's pockets anyway they can.

The last thing I wanted to talk about is life lease. Now, the minister and I have talked about life lease in the past, and I'm wondering if there's anything in this budget that is going to give us additional information, any better consumer protection, any pamphlets that are going to be produced that are going to explain how life lease work or if, in fact, the minister is considering bringing forward legislation.

I really think we need legislation on this. Life lease is the fastest growing kind of home ownership in Alberta today. This really affects seniors. It's an area of tremendous potential for good, but it also has potential for a great deal of grief. It is a totally new concept in residential living, and people don't understand what it is. I really look to the government to be supplying the leadership here in consumer protection, in the legislation which would give us a very clear definition and a very clear outline of everybody's responsibilities. I think everyone does have responsibilities around this: the purchaser, or lender in this case, the developer, the managing company, everybody. But it's a tough one to get a handle on if you don't know it. I think we need the rules in place so that everybody knows how to play the game.

Those are the four questions and the four issues I wanted to bring up with the minister. I appreciate the opportunity to ask him these questions, and I would ask if he could please supply his answers in writing to me. Thank you very much.

THE DEPUTY CHAIR: Hon. minister, did you want to respond to these questions?

MR. COUTTS: Thank you very much, Mr. Chairman. I've already made an arrangement with Edmonton-Centre. I understand that she has an appointment this afternoon, and I've committed to providing her personally written responses to her very good questions.

THE DEPUTY CHAIR: The hon. Member for Edmonton-Riverview.

DR. TAFT: Thank you, Mr. Chairman. I'll cover a handful of topics, as well, around which I have questions for this minister and his department. As with the hon. member who came before me, they touch on a fairly wide range of issues and areas.

The first one the minister himself referred to in his introductory comments in concerns over security and the heightened concern over

identity theft and identity fraud which plagues any electronic system now. I think every member here would appreciate information on the steps being taken to address that concern.

In particular, there are questions I would like to know more about concerning the vetting of employees working in these registry offices and the precautions taken to ensure that the people working in these offices are honourable, are people who are going to respect security provisions and have been thoroughly checked out for background checks. From time to time we in the opposition hear rumours of employees working in registry centres who may or may not be the kind of employee we want in these centres. So I would appreciate clarity and firmness on the precautions taken in ensuring that employees of registry centres and people working with data are acceptable and have been properly vetted.

I also have questions around the sale of data from registries or from other aspects of the government's information systems. I come to this from several years of reading in the area of electronic security and the sale of data and the use of data, for example, for the use of marketing. A recent case investigated by the federal government looked into a complaint from a pharmacist that every time he wrote a prescription, the information on that was stripped of personal identifying information. Nonetheless, it was ultimately sold to drug companies, who were then able to compile the data and see their market penetration for their various products by pharmacists and use it to market to their pharmacists. This particular pharmacist was very concerned about that. It's one small example of the huge market there is for personal electronic data. It's big, big business. Credit card companies are constantly mining people's data for very detailed information on their interests, their behaviours.

3:30

So one of the questions I have is: is any data that's collected through registries resold? Even if it's stripped of personal identifying information, is it resold, for example, to automotive insurance companies so that a particular company could see and track its product or the drivers in particular areas of the province, in particular towns, or particular areas of a city? That would be one example, but the bigger question is: is any data collected by the government resold? Do we have absolute assurances that the data collected through private registries is not resold? Could they also be reselling this data in the same way that virtually all pharmacies resell data on patients? That's I'm sure an area that would be of real interest and concern for all Albertans. It certainly is for me, and you may have a very clear and straightforward answer. Either way I'd like to know what it is.

That moves me into the topic specifically of health information. I've recently had a complaint to my office from an Albertan who is in a prolonged struggle with a private health clinic that is not releasing information to the patient on the patient's pathology. In other words, the patient has asked over a period of almost two years now for her complete file from this private dermatology clinic, and they have not provided it to her. She's very concerned. I think that illustrates one problem we have with the whole question of health information and health privacy. This turns to an ongoing concern that I have which wouldn't just affect this department but others, that the Health Information Act I believe does not provide the same standards of security and privacy protection for private health care operators as it does for public facilities. I am very concerned about that, and I know I'm reflecting the concerns of Albertans by raising that issue here.

So that addresses questions of data collection and security and employee vetting and so on. I'd like to move on now to the structure of what perhaps we should call the wholesale marketplace for

registry agencies; in other words, the mechanism through which agencies get contracts or are licensed by the provincial government to do the provincial business. The whole idea of a marketplace and the only way in which a marketplace works is if there's meaningful competition; in other words, in which you have many people competing to provide a service. I would hope that the provincial government as basically the purchaser of registry services, as I understand the system, from registry businesses ensures a very high level of competition so that registry companies A, B, C, D, and so on are all vying aggressively with each other to provide the best service at the lowest price to the department and through the department to all taxpayers.

I would be interested in indicators of effective competition such as how many agencies lose their privileges or their rights to provide their registry services in any given year. How competitive is the bidding process? What is the bidding process, or does it in fact end up being an ongoing renewal of a contract from the government to an agency? I'm afraid this would defeat the whole purpose of going to a private delivery system.

Related to that, I notice somewhere in the material the standard payments, I guess, or commissions provided to registry agencies for the services provided. So when somebody registers a car and they pay a fee, a certain amount of that fee stays with the people providing the registry and so on. I am curious to know if the department has ever done a business analysis or a business audit looking at the return on investment, or return on capital, that these private registries earn. Are these fees providing a very meagre return on investment to the companies owning the service? Are they providing a reasonable one or a very generous one? How has that been determined? I would be quite interested to know if the department has ever done a business analysis to ensure that they are paying a fair price and no more for the service.

[Mr. Tannas in the chair]

Now I would like to turn my attention to matters of consumer protection, and I'm looking right now at the government and lottery fund estimates for 2002-03 on page 235. Goal 2 refers to "informed consumers and businesses, and a high standard of marketplace conduct," which I think is a commendable goal, and I wish all success to the department in meeting that goal. It's a very important goal if we're to continue to have a properly functioning economy in Alberta.

I'm concerned that in one very, very major area of the economy the marketplace is not working very well, and that's in the area of retail electricity. I'm sure many, many members here have heard complaints that the retail market for electricity is not working. It may well be, in fact, that the wholesale market for electricity is not working either. The wholesale prices seem to have no direct correlation to the cost of producing the electricity. For example, the cost of producing electricity in this province is at most probably 3 and a half cents a kilowatt hour, yet we have power trading at the wholesale level yesterday at, my goodness, 40 cents a kilowatt hour or even over 60 cents a kilowatt-hour. So there's a huge gap between the cost of producing the power and the wholesale price, and that's a key indicator that the market is not working.

At the same time, one of the promises of this government in its move toward electricity deregulation was that there would be a meaningful retail market developed, yet all of us as MLAs I'm sure have had complaints that there is not an effective retail market. There's no meaningful competition between electricity retailers, and in fact there are only two retailers in the whole province almost. For most customers there are only two retailers, and there's very little

toe-to-toe competition between them. So I'm wondering if this department under its mandate to look after consumer interests, its mandate of consumer protection, and its goal of ensuring "a high standard of marketplace conduct" would ever or has ever looked into problems surrounding the markets, both wholesale and retail, for electricity. If so, I'd be delighted to see what steps to protect consumers are planned.

My last point is just a particular one that comes out of the minister's opening comments. He referred to the name change for the department's public access service from One Window to – what's the new name? – Service Alberta. I don't know if that's a good idea, a bad idea. I really don't know anything about it, but I'd be curious to know what the cost of that name change is and why it was regarded as necessary.

So with those comments, Mr. Chairman, I will wrap up and pass the floor to somebody else.

3:40

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

MR. MacDONALD: Thank you, Mr. Chairman. It's a pleasure to rise this afternoon and participate in the debate regarding Government Services. I listened with interest to the hon. minister's opening remarks, and I wish the minister well as various programs are developed in the department.

Now, there certainly have been considerable problems in that department. They have been very well documented, Mr. Chairman. There have been the recent problems, of course, with the registry system in Calgary. There was the police uncovering the phony ID scam at an agency in Calgary. Two registry employees at the same agency, as I understand it, were determining the market value in Calgary of fraudulent ID cards and drivers' licences. That's shocking.

[Mr. Lougheed in the chair]

There were, of course, two incidents in Edmonton here, I believe since the new year as well, so I can't accept the view that this is an isolated incident. We need, certainly, to get to the bottom of this. Identity fraud, in my view, is a problem when you look at what one could do, Mr. Chairman, and the value of a fraudulent card, whether it's an ID card or whether it's a driver's licence. An altered card could certainly be used to obtain a false identity, and this may enable a user or a carrier of that card to avoid being picked up on police warrants. I certainly would like to understand from the hon. minister what complaints or what reservations regarding the integrity of the system have been delivered to the department by various police forces, whether it's a municipal police force here or whether it would be the Royal Canadian Mounted Police.

Unfortunately, the events of September 11, Mr. Chairman, have also added a great deal of cause for concern. I would at this time also remind the hon. minister of the conference that's planned in June, I believe, at Kananaskis: another summit, a big summit, the G-8. Not only for security reasons but for the prudent use of tax dollars, I would much prefer to see this G-8 take place at a secure military base, whether it's Cold Lake or maybe we could even go south to Wainwright or to Suffield. I think it would be much easier, much cheaper to have such a conference at a military base in light of what happened in New York City in September.

[Mr. Tannas in the chair]

These fraudulent documents certainly could be used to aid in illegally crossing the Canadian border. I think that in light of security precautions that are needed in this country, if this is a

problem, then certainly it's probably a delicate, sensitive issue. Is the minister concerned about the deficiencies in this system that would allow people to gain access to this country and then under a new, false ID travel through to Coutts, at the border between Montana and Alberta, and gain access to America that way? With the deficiencies in our system, surely the minister is not going to jeopardize the fact that law-abiding citizens of this province and of this country can take Alberta drivers' licences – in fact, the Minister of Energy could cruise up to the border and probably be across the border in two minutes just by showing his Alberta driver's licence. That's something that we need to ensure that continues to be the way we do business with our neighbours.

Now, there's that security issue, but there's also the security issue for financial institutions. One would only think that if a person is going to pay up to \$500 for this false ID, the next step is obtaining credit cards. Yes, Mr. Chairman, credit cards. Then there's also the issue of taking the credit card and perhaps hiring a rental car, and this individual carrying the fraudulent card is perhaps a suspended driver. Now, you know, the fees – and I'm going to get to that in a minute. These are only examples of what can happen through the use of a fraudulent card.

I understand we're going to freeze the birth dates. This is a security precaution. The hon. member previous had questioned the security of the personnel involved and what sort of checks are being done. This is an ongoing problem with our registry system, and I'm afraid I can't be satisfied with the initiatives that have taken place. I would encourage the minister – and if it's a budget issue, which we will deal with later on this afternoon, relating to computer equipment to make the system secure, we need to hear from the department exactly how much money they're going to need. There was certainly some startling evidence left behind in last year's ministry annual report, and there were concerns raised not only about the security but the age and the condition of the equipment. This member is not convinced that these service contracts are the right way to go, and I'm going to get to that later this afternoon.

3:50

I'm just looking at the statement of operations of the department on page 239. We have been discussing in this Assembly and the public has been discussing the whole issue of the premium fees and licence changes and the skyrocketing costs and whether it's a tax or whether it's a fee or a premium, but we do know that it is very expensive. I believe there was a 50-cent per item increase in fees over Christmas. There was an increase in the transaction fees for registry agents during Christmas week. I saw that press release, and I thought that in light of the conditions, perhaps that was a prudent fee increase, but none of this money, as I understand it, is going into capital investment. Now, I could be wrong, and I would appreciate, if I am, a correction from the minister or the officials that are available from the department this afternoon. There's no doubt that the money has to go into capital investment, Mr. Chairman.

Now, another deficiency, as I see it, and another issue of concern is the land titles registry. This is supposed to guarantee the accuracy of property titles for all registered property in the province. I heard one of the researchers the other morning complaining. They had purchased a house, and the transaction was going so slowly. This individual and his family were quite excited and looking forward to moving into this house. At present the land titles system, the registry system, runs slowly and, I'm told, cannot handle many transactions during regular demand hours, during the hours from, say, 8:30 in the morning till 5:30 in the evening, Mr. Chairman, without risking system failure. I'm just going by what the researcher has indicated.

The researcher phoned the law office: how are things progressing?

"Oh, well, it's not progressing as quickly as it should, but don't worry. We will get everything in order, and you can certainly move into your house." But whenever one is looking at the cost of this from the point of view of borrowed money – and sure, it's only a week or it's two weeks or perhaps at the outside three weeks – that money can add up. You know, that money can add up. I don't know how diligent we have been. This is not on this hon. minister's watch, but we have to get that system working better.

Should we expect to be able to maintain our current service level for turning around land transactions within, say, a day? I think that's almost impossible, but certainly within three or four days. I think that would be better. A 24-hour period would be too much to ask. Now, if the data system were to crater altogether, I need to know if this government is liable or if they consider themselves liable for the losses that would be caused by the countless errors there would be. Who would be liable in this case?

Now, it is interesting to note that the land titles registry system safeguards over \$270 billion in real estate and other registered interests. I don't know whether this is on a yearly basis, but the value of the land-related transactions exceeds, I'm told, \$17 billion. Last year – and we're going to get to this, hopefully, later on – registry transactions themselves generated over \$30 million in revenue for this province, and that's going to go way up, naturally. I think it's going to go up close to \$70 million, \$72 million, as sort of a real target for this department. I'm told – and I'm getting this information very graciously from last year's estimates, which the minister provided. I would appreciate this year a more timely response. I don't think I got the answers to my questions until the middle of the summer. I would appreciate a faster response. There was a \$70 million figure or a \$72 million figure in there quoted as what was needed.

I'll have to look here, but I'm sure it was a \$70 million figure that was needed to build a good, secure, safe, reliable system. We need to get this done. There were a lot of reservations expressed in the annual report about having money to do this, but we certainly need to get this done. Now, I would encourage the minister that before there are any further business delays, failures, and subsequent financial losses, a long-term replacement plan for the ministry, for the entire system, be a priority.

I don't think that in light of all this information I'm much more comfortable and confident in the minister's and his department's ability to keep this information secure than I am with private providers. I know this government is into partnerships – some work out, and some do not – but I would like to see the minister and his department, then only, have complete control of this information. At this time I would urge the minister to reflect on that.

Now, of course, the third and largest registry system, Mr. Chairman, that needs replacing, as I understand it, is the motor vehicles registry. We've got the land titles and now the motor vehicle registry, which last year generated over \$200 million in revenue. Over 70 percent of all registry services delivered to the public are for motor vehicle transactions. Earlier I talked about – and I'm not going to go into that again – my reservations about the security of this system in light of what happened in Calgary. I understand there is a study under way to improve the security integrity of our drivers' licences. I would encourage the minister to proceed with that very quickly.

Also, vehicle registrations and renewals to Albertans. Has the minister or the department studied the whole issue of vehicle identification numbers and what they're worth on the black market? I was startled to hear that a VIN number could have a value in excess of \$2,500. Now, I don't know if this is a widespread problem or not – and I certainly don't have the time to research it very

thoroughly – but I would like to know what the department has done to ensure that a consumer, when they buy a used car, is not picking up a VIN number from somewhere else. I don't know how widespread this problem is. Hopefully it's not. Hopefully they are isolated events.

We also need to ensure with this motor vehicle registry system that police forces, whether they're municipal forces or whether they're the RCMP, have maximum guaranteed access, so to speak, to the system 24 hours a day, seven days a week, to conduct their investigations in a timely and effective manner. This has to be essential for law enforcement agencies. I hope these organizations don't have the same concerns that I have. Certainly if there have been any concerns expressed about this system and the slow response times, I think the minister is obligated to share them with the public.

The motor vehicle registry system is also very important to the Minister of Justice. Alberta Justice collects over \$34 million, as I understand it, and it's going to be a great deal more for overdue traffic fines. [Mr. MacDonald's speaking time expired] I will cede the floor now to a colleague.

Thank you, Mr. Chairman.

4:00

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

DR. MASSEY: Thank you, Mr. Chairman. I'm pleased to have an opportunity this afternoon to take a look at the estimates for the Ministry of Government Services. I'd like to start with a comment about the business plans. Over the years we've watched the business plans evolve, I think we'd all have to concede that the business plan for this department is probably one of the best in terms of being able to read through, to take the goals and objectives and then to match them up with performance measures and then to have actual measures that you can understand and that make sense in terms of the goals. I think the minister should be rightfully proud of the work of his department in putting together such a good set of business plans. I realize that there are still gaps that they are trying to fill in the measures that they're taking. You can compare other business plans. For instance, I may compare it with Seniors, which is a new department, but if you look at that business plan and compare it with this one, it's a world of contrasts. This one is infinitely better. So I appreciate the information that's provided for us in the manner that it is in this particular budget document.

I wanted to start with a number of items. I thought I'd start on page 192 and go roughly over the business plan and highlight some questions that I have and then if I have an opportunity – and I suspect I will, Mr. Chairman – later in the afternoon come back and ask some detailed budget questions.

One of the concerns I have is with number 1 on page 192, and that's the business of promoting consumer protection. I asked the question with respect to seniors. Yesterday we looked at the Seniors budget, and on page 332 there's a concern in the Seniors budget "with models to improve delivery of in-person and outreach information services to seniors." My question: is there help from the Government Services ministry to a ministry like Seniors in putting together those models? It seems to me that it's an area that's becoming increasingly important in terms of trying to ensure that seniors not only know the kinds of services that are available to them from government but that they are also made aware of the kinds of things they should do to protect themselves in the marketplace. If those two efforts can be co-ordinated, I think it would benefit seniors. It's really a difficult problem, because you have many seniors living on their own in quite isolated circumstances, and they depend primarily on radio or television for the kind of information that they receive and may not in some cases even have access to a

daily newspaper. So that targeting of seniors I hope would be a concern for the department in terms of protecting them from fraud and making them aware of the kinds of things that they should be doing so that they don't get into financial difficulty with firms.

Within that same item, goal 2, "informed consumers and businesses, and a high standard of marketplace conduct." With a growing economy in the province and businesses opening and closing, I think that this is an area that needs special attention. I've had some complaints from constituents about the unevenness or the differences, if you will, among merchandisers in terms of the return of merchandise. Some establishments make it abundantly clear that all merchandise is returnable. Others post signs indicating that they won't take back merchandise. Others say that they'll give you a credit but you can't get the cash back. So there are a lot of different ways of handling merchandise returns. The complaints I get are about firms that don't have the policy prominently displayed so that consumers know exactly what the situation is when they make their purchases. My question: has this been a concern raised in the department or to the minister? Is there anything that would encourage merchandisers to at least make clear to customers what their policy is?

On the same page, jumping down now to freedom of information and protection of privacy legislation. I have some questions here and some a little later about that. The result that they want is to have Alberta businesses "prepared for private sector privacy legislation." My question is: how is that being done? Just what are the kinds of steps that are being taken? Is there assurance that it would include all businesses, that there won't be businesses that will be bypassed in this effort and will be able to claim that they're unaware of their obligations under the legislation? I would be interested in knowing how the department is going about this particular task.

Page 193. My colleagues have already mentioned security concerns as they surround drivers' licences. We still get concerns in our constituency about high school students who have access to false identification in terms of purchasing liquor. I'm not sure how widespread that is, but it's a concern that periodically is raised and the response of underage purchasers in terms of how easy it is for them to secure identification that will allow them to go into a liquor store and make a purchase. I wondered what kinds of efforts the department is making with respect to that particular problem.

4:10

Page 194. The minister shuddered when my colleague talked about the Condominium Property Act and the possibility of reopening that and addressing some of the concerns, but I would bring to his attention again the huge problems that some condominium owners are facing. I brought to the attention of the department several years ago the problems that are faced by a complex in my constituency, where in a new building the floors started to rot, and mold invaded the lower floor suites. The homeowners were given really what could be nothing more than the royal runaround, and there was no recourse for them in legislation in terms of getting to the builder, the developer, or having the engineers take responsibility for what had happened. It was a whole series of breakdowns in the compliance system that led to this happening. City inspectors didn't catch the problems. The crawl space was one foot instead of the required four feet, and the drainage that was supposed to be in place was not there.

The bottom line was that these condominium owners were left with tremendous bills to have the problem rectified. They've been forced into the courts and the prospect of long, strung-out, and expensive court cases with the developer, the builder, some of the engineers involved, and even the architect. It's been a miserable

mess for people. In that particular case, some of those were seniors who sold their homes and bought into the project, have that asset but limited amounts of cash. The kind of money that they are being expected to put up, because the problem has to be addressed immediately – they can't wait for court awards – just means that they've had to end up selling the place at a greatly reduced market value from what they purchased it for, and they've ended their lives in really kind of tragic financial circumstances. So as I said, opening the act may not be the solution, but there has to be some remedy for consumers who in good faith make an investment in those kinds of projects and find themselves holding the bag in terms of the costs to repair what is really work that didn't pass the test.

The minister talked about Service Alberta and the change of name. Oh, I'm sorry; before I go there, on the same page, page 194, I'd like to talk a little bit about the "plain language information about marketplace legislation." Is there a linkage between this activity and the writing originally of a legislation? So much of the legislation that comes forward to us in the Assembly is obviously so legal-bound and not written for ordinary laypeople to read and understand and obviously, then, requires an interpretation. But I wondered if that couldn't have been eased in the first place if there was some pressure on the drafters of the legislation to make it plain language legislation.

I go back, as I've said a number of times in this Assembly, that that was a promise that was made by this government in 1992, I believe, before they were elected: once elected, they would focus on generating plain language legislation. I think that for some of this, that's where it starts. The legislation is so difficult for people to read that you end up needing a translation. If it can be translated, then why not write it like that in the first place?

I'd like to skip over, then, to page 197 and to some of the performance measures. We're beginning to generate a list of items that can be compared nationally in terms of our fees, and again it's good to see that driver's licence fees are below the national average. Those are again, I think, really useful measures.

We have a list of some of the other proposed comparisons that are going to be made: the collection agency, the prepaid contractor's licence, the direct selling licence. I wondered if there's going to be an effort to look at renewals for some of the other areas. Just what is going to be on the list? Is this the limited list here, or will there be other fees that will be compared? There's such a huge, huge number of fees now being levied by the government. They were in the back of a document that we had here the other day, and there are actually columns of them.

Page 198. I applaud the effort to try to address telemarketing fraud, but the question I keep getting – and I'm sure everyone in the Assembly does – from constituents is: how can we just control the number of calls that keep coming into the residence without having to resort to a silent number? Just the nuisance of having call after call from telemarketers is really becoming a problem for some individuals, and I wonder if there has been any thought of how that might be curtailed or if it should be curtailed. It's an annoyance, and I don't propose that it's nearly as important as trying to control fraud, but it's something that I think has really gotten out of control. It's nothing to sit down for dinner and to be interrupted three or four times by telemarketers seeking to sell something or to have you subscribe to something. So my question is: has there been any consideration of trying to control that kind of activity?

The minister talked about – it's not One Window – Service Alberta, the work that's going forward. A number of years ago when the government moved to the RITE telephone number, was there any kind of follow-up study to see how people reacted to that that would give any direction to the kinds of activities that are being

considered under Service Alberta? In the beginning, I remember, when the RITE phone system went into place, there were a lot of complaints, and I seldom get those anymore, but I wondered if there was ever an evaluation of the project and how it's going.

4:20

Page 199. I talked briefly about FOIP with respect to private businesses and what they're going to be responsible for and how they should prepare for it, but my question is: are there programs in place that give the general public a better understanding of what information they can legitimately receive under the Freedom of Information and Protection of Privacy Act? It seems to me, again, that I get calls from constituents who don't really have a very clear understanding of the kind of information that they can expect, and I wonder if there has been any kind of tracking in terms of people who are seeking information. Are they deterred for cost reasons? Are they being discouraged from proceeding? I have heard from at least one constituent that just sort of threw his hands up and said: "That's useless. I can't get the information. It's going to cost me too much money." I never did follow it up, but I wondered if that's not a concern. What is the public program that's envisioned to make sure that the public does know what their rights and obligations under that act are?

Goal 6 and the reviewing of the legislation. I have some questions about the secretariat and its relation to this. Is there any indication of how many regulations have been reduced?

THE CHAIR: The hon. Minister of Government Services.

MR. COUTTS: Thank you very much, Mr. Chairman. I want to take this opportunity to respond to some of the questions that have come our way over the last hour and 10 minutes here regarding the business plan and the budget that's being put forward. Many of the questions that have come forward are certainly questions that are legitimate in terms of our registry agents network and some of the functions that that network performs and how it does so on a safe and secure premise for making sure that Albertans get the delivery of the service but at the same time have their privacy protected.

As well, I got a distinct impression from some of the members opposite that there were some concerns about security and the possibility of fraud and forgery. Some of that fraud and forgery seems to stem from some indication that the people that are actually under contract with the registry agents contract with the department. There's some uneasiness there. There's also some uneasiness with maybe some of the employees that are handling the information and that type of thing.

All told, though, I want to thank the Member for Edmonton-Mill Woods for the compliment on the business plan. We've certainly tried our best in the department, and I do have an excellent group of people to keep the business plan as simple as possible and as straightforward as possible so that it's read by Albertans. Albertans should know exactly what's in a business plan and exactly how much that business plan costs to execute.

In particular, with the service that's being provided, it's important to point out where their money goes, because it's the dollars that they bring forward in licences, in the fees that they pay for those licences, that goes back into the delivery of that system. I think they want to know that their dollars are being well looked after and well spent and, at the time same, as the concerns that have come forward, that it's done in a safe and secure manner. That's exactly what we're trying to do in the department, is take a system that was 20 years old, upgrade it, make sure that it's safe and secure.

I believe the Member for Edmonton-Gold Bar asked me if I was

concerned. Yes. I'm always concerned. Every single solitary day that I wake up and come into this building, am I concerned about protecting people's privacy but at the same time making sure that the system is up and running? Yes, I am concerned, and that's why we've gone ahead and made the changes that we've had to make to make sure that our systems are going to be upgraded over the next few years. I'll talk a little bit more about that when I get to hon. Edmonton-Gold Bar's questions, and I hope to be able to answer some of his questions and alleviate some of his concerns about the future that I am taking and the department is taking in upgrading the system to make sure that it's not only safe and secure on the automotive side, but it's also safe and secure on the driver's licence side and the identification side.

I'd like to start off with the actual premise of a registry agent's office. The hon. Member for Edmonton-Riverview was concerned about the actual privacy within a registry agent's office and how the contracts are let and how we go about expanding on the system or keeping the system to the needs of the public, whether it happens to be in a major city where there's a huge population – and as cities now grow and expand, how do we make sure that the service is going to be available to those city folks so that they can get their licensing properly done? How do we also make sure that in a small town or rural area we keep that service going?

Well, agents are chosen through a tendering process. Our department goes out and does an assessment of what the needs are in a community. We constantly monitor that assessment of whether the community is being served well by the local registry agent, and we make a decision whether to expand that particular service to that area or not. We're constantly doing that because Alberta is continuing to grow. If we feel that we need an agency in another area, we go through a tendering process. We have, again, this expansion policy based on customer satisfaction. If the customers are satisfied and the volume of the transactions and the potential growth are all taken into consideration, we won't add on to our system. If a contract does get let, no, we don't have a termination date of that contract, but we do audit the activities of a registry agent. Every single solitary day their activities are audited and monitored, and we go in once a year and audit how the registry agent goes about and does its business. So there are strict controls in place at our registry agents' offices.

How do we choose a registry agent office? The registry agent must go through a criminal check. They must have a solid business plan behind their proposal if they set up a new registry agent office. They must have the finances in place, because there is a commitment on behalf of registry agents for compatible workstations to tie into our system so that the service they provide is congruent with what the needs are of that community as well as providing the service for the government.

Have we had difficulty in the past? We've only had three agents who have been terminated in the last eight years. That's a pretty good record. Now, when we see organizations such as British Columbia and Saskatchewan coming along and taking a look at our registry agent system in Alberta and they want to try and take the best of what we've got and try and provide it to their constituents in those two provinces, that tells us that we've got a very, very good system working here in Alberta. Again, a thousand employees are employed at the 228 agencies across Alberta.

When we have a problem, yes, we go in and we solve the problem immediately, and I think we showed that this last December with an agent who has been charged. Again, I don't want to talk anymore about that, but we acted immediately in that particular case.

4:30

The hon. Member for Edmonton-Riverview also talked about our agents' fees, and yes, we compare ourselves to other provinces. The

hon. Member for Edmonton-Mill Woods made reference to the fees in the back. They are there in the business plan for people to take a look at.

The Member for Edmonton-Riverview also talked about the retailing of electricity and asked, on the consumer protection side, whether our department got into dealing with wholesale and retail of electricity. Well, we don't actually get into that. On the consumer protection side, under the Fair Trading Act, we regulate the marketers of electricity and those electrical services. What we do is we regulate the marketers to a point where we say that if a marketer is going out to a community and wants to sell their product, they must be licensed, the company must have a million-dollar security bond, and they must comply with the 17-point code of conduct. When a marketer comes to your door or to your business, they must show identification and make timely and accurate and truthful comparisons in their presentations, and they must ensure that the data being used to support any of their claims is reliable. We have tip sheets available for what consumers might want to know about marketers.

That's the detail that we get into in terms of consumer protection. If we get complaints about marketers not following the contract lines or the contract regulations, then we do step in and make an evaluation, but we do not get into anything with the EUB, because they set the rates. Quite possibly, at another time the Minister of Energy can address that concern for you.

The hon. Member for Edmonton-Riverview talked about the cost of the name change for Alberta One Window, which we're now calling Service Alberta. The hon. Member for Edmonton-Mill Woods made a comment about this very thing, saying that the RITE line when it was first put in, you know, wasn't really serving the bill so much and was presenting some problems, but it has improved over the years. It's an amazing thing. When we're talking about Alberta One Window and how it has progressed, it actually has progressed from the evolution of the RITE line and how well the RITE line has been accepted by the people of Alberta. The cost so far has been about \$70,000 for this name change. Now, part of that was to go out and do some focus groups across this province. We went from the north right to the south, and that's where we found out what confidence people had in our RITE system.

As technology has progressed, we now can take that RITE system and we can put it on-line, but we can even make it better. We can even make it faster. We can make it available for people to get into a department, and they don't even know how it happens. When we unveil this over the next few months, we'll be doing some demonstration and showing how One Window can access a department without Government Services actually doing any of the managerial work of what people want to access. But we're just the facilitator. The \$70,000 that we put into changing the name from One Window to Service Alberta will be well received by Albertans because that's what they told us, and they also told us that that's the kind of service they wanted. At the same time, it doesn't make us exclusively go on the Internet. It also makes sure that we have that same access to those same program deliveries in all of the departments across government by fax or by phone or by mail. It's truly a very, very good service, and my compliments to my staff for making that happen.

I'll go on to some questions from Edmonton-Gold Bar. I just want to talk briefly about how the systems differ in our registry systems. The \$13 million that we have put into the budget to upgrade our systems for our registry agents – and I'll talk a little bit about this later – is strictly going to go to the upgrading of three items. Land titles and personal property will all be part of the first \$13 million. It will be a three-year program. We're only going to be allowed to spend that \$13 million on the upgrade to our legacy systems. We

can't spend any of those dollars on anything else in the department, and those dollars come to us through the increase in the fees that have just been announced and as part of a three-year program that we will continue with. Our first priority is the personal property and then land titles.

Not included in that \$13 million is the upgrade to our driver's licence or possible identification process that we're going through. That would be an additional cost that I will have to go to Treasury Board for in the future. But in order to know what you're going for, I have to know what kind of system we need to put in place, because we do have to upgrade our driver's licence system, our identification system. We've been discussing this with some companies that could provide us with the systems, and the bill is anywhere between \$15 million to \$25 million depending on what you want in terms of security features. That price doesn't even include anything like biometrics.

So we have to work with the Security Task Force, that is set up by the hon. minister of intergovernmental relations, and we have to know what their requirements are going to be not only on the national scale but also on the international scale. The hon. Member for Edmonton-Gold Bar is absolutely right that we want to make sure that the security system that is in place allows the folks that don't have anything to hide to get through the borders quickly and effectively, to get on and do their business, but also to keep the crooks out. So that's what we're working on. That system will be over and above the \$13 million. I want to make that very, very clear to the hon. member.

4:40

You know, in going about upgrading that system, we have to understand the incidence of forgery and fraud on our drivers' licences in comparison to all the transactions that we do across government in Government Services. We have to make sure that the numbers of incidents that are out there, although small – and just recently we've only seen two incidents, both in Calgary. They really and truly are small in comparison to all of the transactions that we do.

We need to make sure that as part of our security, particularly after September 11, those provisions that are required or needed after such an event come through and are done properly. We don't want to do our security system and have it not fit the bill both nationally and internationally and then have to go and spend money to do it right. If I'm going to do it, I'm going to do it right, and I'm going to do it right the first time.

That gives us about half of the answers. I'll be glad to stand and give the other half in just a few minutes, Mr. Chairman.

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

MR. MacDONALD: Thank you, Mr. Chairman. At this time I would like to express my gratitude to the minister for those timely responses.

Just before I get started, for the record, I believe the minister was indicating that there is going to be a \$13 million expenditure over a three-year period for \$39 million. [interjection] Yes. Thirteen million dollars per year for three years.

Now, it is, I believe, a necessary expenditure, and it is a problem that certainly this hon. minister did not develop during his watch at this ministry. I believe it has been inherited, shall I say, Mr. Chairman, and I wish him well in solving these difficult problems at this time.

We cannot discuss Government Services without recognizing that Alberta Justice also relies on a timely system to ensure that child

support is collected through the maintenance enforcement program. Driving convictions from Justice certainly are forwarded through the system, allowing for Alberta Transportation, another department – so all this is connected, Mr. Chairman – to administer its many traffic safety programs. High-risk drivers can certainly be identified, and we can make Alberta roads safer.

Now, we already discussed this afternoon the need for new equipment to create drivers' licences. If law enforcement agencies have concerns about security features, I would encourage them to bring them forward. Perhaps they're already working with the minister and the department – and I'm not aware of this – to reduce cases of counterfeit or fraudulent \$500 licences. It's pleasing to hear that there are going to be some real changes made in the department, but I wonder what's going to happen with the motor vehicle registry system.

You know, Alberta One Window changed their name to Service Alberta. I believe that this was an open window. There was this big commitment made in the throne speech two years ago that the common window would make it easy for Albertans to have access to services and, of course, to information. For the One Window system, now Service Alberta, when we consider the web service, the phone, the fax service, and the over-the-counter service, how were the electronic forms developed that are going to be used in the web service? These forms, as I understand them, can be quite convenient. Now, was there private-sector involvement in the development of these forms, or was it completely done within the department? [interjection] It was completely done within the department. So my next question in this regard would be redundant, and that was whether it was tendered. But if there was no private-sector involvement, then it was just done internally. I'll be watching to see how all this works out, because certainly there's going to be a further increase in Internet service. Hopefully we're going to get a chance through the hon. Member for Edmonton-Calder, with the committee that that member chairs, to best see how to address the whole issue of electronic transactions, commercial transactions, and the FOIP Act, the Freedom of Information and Protection of Privacy Act.

I'm sort of looking forward to working on that committee because it's certainly going to give this member a chance to learn more about that issue. I find it quite complex, and it is something I'm looking forward to. Sometimes I think, in recognition of the committee and its work, that perhaps the suggestions of that committee should be given a priority with the ministry. Now, perhaps this has already been worked out; I don't know. But the Alberta One Window is a closed window now, and it's going to be Service Alberta. I'm going to have to reserve judgment on that, Mr. Chairman.

Now, at this time I have some specific questions regarding the premium fees and licence changes that are in the fiscal plan tables on page 60. The corporate pass here for museums and historical sites is a new initiative. If the minister could please explain – and if not today, then in writing would be completely acceptable; it would be no problem – why there's a wide range here in this fee or licence or whatever you would like to call it from zero dollars to \$10,000. I would like to know how this system is going to work. As I said, there's a wide range here, from a \$1,000 to \$10,000 in set price. Does this depend on the facility? For instance, at the Drumheller museum, do I just pay eight grand and I have access with my tour buses for the season there? How, precisely, does this work, and how is it determined what the fee is going to be? Because that's a real wide range, this business of a corporate pass for museums and historical sites. Perhaps it's a better question under Community Development, but was there any consultation regarding this with the Minister of Government Services? Was all this worked out in advance or is it simply an issue for the Minister of Community Development?

4:50

Now, the fees, premiums, and licences here. The name and address changes: this is again another new fee, \$13. Is this member correct in understanding that if I'm a student and let's say I move from Calgary Varsity up to the University of Alberta and I need to have a change of address for my driver's licence – certainly an insurance agent would probably call for that – that's going to cost me \$13? I would like to know how much money the minister is anticipating generating in revenue from this and if any concern has been expressed to the minister or to department officials regarding this fee being a disincentive to having accurate, up-to-date information on licences. Has any consideration been given to the fact that law enforcement agencies may not have confidence in the licensing system as a result of this? In my view, if a person is on a very modest budget and they move: "Well, my last address is good enough, thank you very much. I'm going to keep that \$13 in my pocket." Perhaps the gain of the government is not going to be worth the headache for the police forces. I would appreciate some answers regarding that fee.

Also, I would like details, please, on the commercial trailer. There is commercial trailer by weight and class 1 or class 3 public vehicles by weight, and precisely how much money is the department hoping to realize in revenue?

Now, there are many, many fee increases here that certainly are high, and in light of the time and the other issues that I have to discuss with this department at this time, I'm not going to go any further into the fact that there have been significant fee increases.

Mr. Chairman, the minister discussed earlier – and I appreciate the response that the minister provided to the hon. Member for Edmonton-Riverview. But last year when the ministry developed the electricity marketing regulation under the Fair Trading Act, this regulation, as I understand it, required the marketers of electricity to be licensed and set out disclosure and other requirements to protect consumers. Now, that's fine, and the tip sheet is a good idea. You know, improvements are coming there slowly. It was last year that members on this side of the House encouraged the Department of Energy to start publishing the daily costs of electricity, and that helped consumers make a reliable decision because they could see what the price of electricity was trading for. They just had to turn to their local paper on a daily basis and they could see any trends that were developing. A consumer can only make a decision, a sound decision, if they have all the information. The tip sheet is certainly a good idea, but I do have concerns regarding the electricity marketing regulation and this use of exit fees on power bills.

Certainly the minister had in my view a quick response to the whole issue of exit fees and natural gas marketers, and I appreciate the work that the minister did on that issue last year. At this time, in light of the electricity marketing regulation, I would like the minister and his staff to have a close study at the use of exit fees. I don't think they're fair on electricity bills. If one provider is going to give this price and another provider is going to give that price yet I can't shop around because of exit fees, I don't think that that is free enterprise. I would like to know what the electricity marketing regulation does or does not do under the Fair Trading Act in regards to that, because certainly, as I said, there was a quick response from the minister regarding the issue of natural gas and exit fees. As I recall, Mr. Chairman, I do not believe that the whole notion of exit fees for electricity or natural gas ever went forward. It was certainly proposed, but I don't believe it went forward.

Now, last year there was certainly a decrease in the revenue from land titles, and I would like to know from the minister what the projections are for the future regarding revenue from land titles transactions. When the minister tells the Assembly, Mr. Chairman,

that there is going to be this three-year program of \$13 million a year for personal property land titles, when we consider that Alberta Government Services and registries received \$1.5 million in supplementary funding one year ago – this additional funding, it is noted, was provided for critical infrastructure requirements for the land titles information system in Alberta One Window. Other initiatives, unfortunately – and this is last year, so it is quite interesting what has transpired here – had to be deferred because the cost of providing these additional services was not included in the ministry's budget.

Capital initiatives were deferred also to fund operational costs, and this is why I say that this minister has inherited some pretty big problems. At least you've got to give him credit for trying to deal with them, Mr. Chairman. I don't know if these sky-high fees are the way to do this, because certainly many of the consumers of the province that are going to be affected here didn't devise this system. We had no money for a lot of these initiatives that were needed, and the minister is playing catch-up now. But we had an increase of service contracts, and I wonder what we're going to do with these service contracts now. You know, there was in the past data processing with key expenses of over \$12 million, contracted services of \$7 million. I don't know what the minister has planned for this year, but in the year 2000 there was \$21 million, roughly, in service contracts. Last year that almost doubled to over \$39 million.

I want to know what the future holds for us regarding these service contracts, because certainly EDS seemed to be a big partner with the ministry. There was certainly note of this, and this was going to be a partnership that was to be developed. As I understand it, the information technology services have been outsourced for several years to EDS, which was formerly Systemhouse. How much of these service contracts are going to that one company? There were certainly indications that this was going to be a partnership that was going to be extended, and I'm just curious because there's a lot of money here at stake. I want to ensure that our tax dollars are invested wisely and prudently, because the total investment in this department to clean up this system or to make it safe and secure and reliable is \$70 million. That's a figure that I've been quoted here in the past, and that could include private partnerships. I want to know in this budget what sort of role these private partnerships are going to play, because certainly it is indicated that with computer hardware and software – the minister and his officials are absolutely right – the estimated useful life left is five years. So this cannot be delayed, Mr. Chairman. Other equipment has an estimated useful life of 10 years, but with this vital computer hardware and software five years is what's left in its service life. So I don't think we can wait any longer. At this time, before I go any further, I think that the land titles, motor vehicles, and personal property registries need the upgrading. It's proposed and the minister has ... [Mr. MacDonald's speaking time expired]

Thank you, Mr. Chairman.

5:00

THE CHAIR: Before I recognize the hon. Member for Airdrie-Rocky View, might we have consent to briefly revert to Introduction of Guests?

[Unanimous consent granted]

head: **Introduction of Guests**

(reversion)

THE CHAIR: The hon. Member for St. Albert.

MRS. O'NEILL: Thank you very much, Mr. Chairman. It's my

honour this afternoon to introduce to the House, to you and through you to the members of this Assembly, some guests who are in the Speaker's gallery accompanied by a number of citizens who are in the members' gallery as well. I would ask that the members rise as I introduce them, and then we could extend to them the warm welcome of this Assembly. Seated in the Speaker's gallery are His Excellency Gaston Lasarte Burghi, who is the ambassador of the Oriental Republic of Uruguay; His Excellency Branimir Stoyanov Zaimov, who is the ambassador of the Republic of Bulgaria; and His Excellency Harcourt Turnquest, high commissioner for the Commonwealth of the Bahamas. They are accompanied by Mr. Jerry Sherman. They are here in western Canada and certainly northern Alberta on somewhat of an economic development tour of Edmonton and area businesses, and they are accompanied by visitors in the members' gallery: Gordon McCallum, Cam Schnek, David Goodchild, Vic Viens, and Esther Viens.* I would ask them all to please stand and receive the warm welcome of this Assembly.

head: **Main Estimates 2002-03**

Government Services (continued)

THE CHAIR: The hon. Member for Airdrie-Rocky View.

MS HALEY: Thank you very much, Mr. Chairman. I wanted to get up very briefly this afternoon and make just a few comments about this department called Government Services. One of my predecessors used to be the minister of consumer and corporate affairs years ago. Consumer and corporate affairs has now been rolled into Government Services. I guess if I had a question for the minister at all, it would be specifically with regard to consumer and corporate affairs and as to what role they truly play, whether or not it's something that we can look at to ensure that we have a place for people to go when there's a problem, if Government Services in fact is equipped to really handle that type of thing, and if he has any plans, to elaborate on that a little bit in the future.

The other comment I wanted to make is specifically with regards to registries and what an awesome job our registry companies are doing. I'd like to refer specifically to Airdrie registries and what a pleasure it is to go there. Whether it's a corporate registration I have to do or getting my car licence done or my driver's licence renewed, I go in there and there's maybe one or two people ahead of me in lineups and everybody's happy. The staff are just incredible. The proprietor of the business, Mr. Hamilton, is just running an incredible business there, doing a great service for the people of our community and surrounding area, and he would be reflective of the types of industry that we have all over this province on this.

I used to work in one, so I know this for a fact. In March when everybody got their demand to go in and get their licence plates renewed, we would have people lined up not just inside the government office. We would have people lined up outside the government office. You could just write off the entire day because you knew that getting your plates done on the last day – because that's when we all did it – was going to be a nightmare. You know, it was one of those, I think, incredibly great things that we've managed to do in the last nine years: changing that to something that's responsive. It's now got a corporate culture around it.

The fee increases that the minister has had to impose will allow those same registries to update and improve all of their computer systems, which is absolutely essential for their next step, and the security of the system is all tied into that.

I guess really, Mr. Chairman, all I wanted to do was to say that I think our corporate registry, our licence plates, all the things that they do are so superior to the way that it was. The minister, I know,

*These spellings could not be verified at the time of publication.

has worked very hard with these people in addressing their needs for a higher level of funding on their fees, and I'd like to congratulate him for that.

Thank you very much.

THE CHAIR: The hon. Minister of Government Services.

MR. COUTTS: Thank you very much, Mr. Chairman. In the few moments that we have left, I just would like to talk a little bit about some of the easier questions that were brought forward and give some responses. At the same time, I reiterate my commitment to all hon. members on questions. If we haven't fully satisfied you in my answers standing in the House here, we'll make sure you get a written response.

I think one of the most fascinating things when you're talking about consumer protection – maybe the hon. Member for Airdrie-Rocky View just mentioned it – is that sometimes you just don't know where to go if you've got a problem. Well, Mr. Chairman, that's one thing that Service Alberta is certainly going to help with by getting people to the point where they can actually access a department to find out what a program is, how they can get some help. If they feel that they have a question about the legitimacy of a business, they can call our call centre. We have a call centre that's up and running. It's state of the art. We have 20 people working in that call centre every day, and those ladies that work in that centre take over a thousand calls per day from Albertans on a whole series of things right from student loans to hospital questions to consumer protection, the whole bit. I don't have the phone number right in front of me, but it's a 1-800 number, and I'll certainly get it for all hon. members so that they can pass it along to their constituents and their constituency offices.

The comment made about our registry agents and the service that they provide: that service has just been enhanced. The hon. Member for Edmonton-Gold Bar mentioned about the \$2 increase that they got just the first part of the year. The \$2 increase is not a government fee. It's for registry agents to compensate their employees better, to pay their taxes, to pay their heat bills, that type of thing, because they are carrying on a business. That fee is charged and they get to keep that to operate that business, and they don't come back to government for anything else. That is one of the successes of our registry system.

The other thing that I would just like to briefly talk about. Some of the questions that were coming from the hon. Member for Edmonton-Gold Bar lately, in this last session, were on outsourcing and the one-window incorporated into that and whether we did any outsourcing. That was all done in-house with the help and the co-operation of other departments. The departments that were involved helped put Service Alberta together. Yes, in some of our other areas on the databases we do some outsourcing. But we don't exclusively do it with one company; we do it with a number of companies. That outsourcing has worked well for us, but most of the work is done in-house.

5:10

The Member for Edmonton-Gold Bar talked about the land titles registry and better turnaround. We're shooting for a 48-hour turnaround. All we have to do is verify that the information on the registrations of land is accurate. Some are easy; some are difficult. We don't always make our 48-hour turnaround. Some of that is because of all of the transactions that are coming forward in this robust economy that we have. It's difficult to tell whether the future dollars will be there, because it's done on a demand basis. So we have to have a system that is in place to handle the demand, and

that's why the upgrade is definitely going to happen on land titles as one of our first initiatives.

Stolen vehicles is a huge, huge issue. The member opposite talked about stolen vehicles, and that's been on the national agenda for many years. You know, we co-operate with all North American jurisdictions, and in this last year a committee was struck to help develop an action plan in Alberta. It's something that we're very, very concerned about.

The hon. Member for Edmonton-Mill Woods talked about protection for seniors in the marketplace. Our department works very, very closely with the Department of Seniors. We work together with other departments, on housing issues, certainly also with Aboriginal Affairs and Northern Development, to talk about consumer protection in those areas. We target together. We don't target separately, because targeting separately is a waste of dollars. We want to make sure that the message goes out from one location, and we work very, very closely. As a matter of fact, our call centre number is put on fridge magnets, and we sent these out to people across the province so that seniors and folks that are at home can see our call centre, and if they have any consideration about whether a telemarketer is a legitimate telemarketer, maybe the next day they can phone and give the details of that telemarketer to our call centre and we can investigate.

Just one quick thing about plain language. The hon. Member for Edmonton-Mill Woods talked about plain language. Our Fair Trading Act has been touted as the best in Canada if not North America. I think that one of the reasons is because it has to appeal to the business sector, and they're not all lawyers. We've tried our best to keep it in as plain language as possible and keep the legalese out of it, because it has to appeal to the business sector. One of our challenges is to get the content of that Fair Trading Act out to the business sector so that they know the legislation that controls them.

Mr. Chairman, in the last minute I just want to briefly talk about freedom of information and protection of privacy. There is a freedom of information and protection of privacy review going on at this point in time, and I'm pleased that the hon. Member for Edmonton-Gold Bar is looking at it as a challenge to bring up some of those concerns. I know that they're going out and doing some consultation at this point in time, and we look forward to participating in the upgrading of probably the best legislation on freedom of information and protection of privacy that there is in Canada. Alberta leads the way again in that area.

So with that, Mr. Chairman, I would like to reassure this House that I will make sure that anything that I haven't answered, I will answer with the help of my very capable staff, who I appreciate coming out here today and supporting our business plan and our budget and making sure that we provide as much information as we possibly can to the Assembly.

THE CHAIR: I now am required to put the following question. After considering the business plan and proposed estimates for the Department of Government Services, are you ready for the vote?

HON. MEMBERS: Agreed.

Agreed to:	
Operating Expense and Capital Investment	\$218,021,000

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

HON. MEMBERS: Agreed.

THE CHAIR: Opposed? Carried.

The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Chairman. I'd move that the committee rise and report and beg leave to sit again.

[Motion carried]

[The Deputy Speaker in the chair]

MR. LOUGHEED: 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, 2003, for the following department.

Government Services: operating expense and capital investment, \$218,021,000.

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

HON. MEMBERS: Agreed.

THE DEPUTY SPEAKER: Opposed? So ordered.

The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Speaker. I would move that pursuant to Government Motion 20 we adjourn until April 8 at 1:30 p.m.

[Motion carried; pursuant to Government Motion 20 the Assembly adjourned at 5:18 p.m.]