

Legislative Assembly of Alberta

Title: **Wednesday, March 31, 2004** **1:30 p.m.**
 Date: 2004/03/31
 [The Speaker in the chair]

head: **Prayers**

The Speaker: Good afternoon.

Let us pray. Author of all wisdom, knowledge, and understanding, we ask for Your guidance in order that truth and justice may prevail in all of our judgments. Amen.

Please be seated.

head: **Introduction of Visitors**

Mr. Jonson: Mr. Speaker, I am pleased to introduce today the Hon. Shirley Gbujama, Minister of Social Welfare, Gender and Children's Affairs for the Republic of Sierra Leone. The minister is in our province on her first visit to Alberta with her assistant, Alhaji Bangura. They are seated in your gallery, Mr. Speaker.

Minister Gbujama is here attending an international conference on children and war being held at the University of Alberta. Sierra Leone has faced significant challenges in the past; however, the country has taken important steps to overcome these challenges and is building a brighter future for its citizens.

Albertans have supported these efforts. For example, funds for the project to enhance the quality of life for children in Sierra Leone were provided in 2000-2001 by the Canmore Rotary Club and the province of Alberta in conjunction with the Wild Rose Foundation. We are hopeful that Alberta can continue exploring areas where it may be possible to enhance the relationship between Alberta and Sierra Leone in the future.

Mr. Speaker, I would ask that our honoured guests please rise and receive the traditional warm welcome of this Assembly.

The Speaker: The hon. Minister of Community Development.

Mr. Zwozdesky: Thank you, Mr. Speaker. It's with enormous pleasure that I rise today to formally introduce to you several outstanding individuals seated in your gallery who are responsible for and/or directly connected with the Junos in Edmonton. I would ask each of them to please rise and to remain standing as I present each of them to you. Ms Melanie Berry, president of the Canadian Academy of Recording Arts and Science, otherwise known as CARAS, from Toronto, with direct responsibility for the Junos; Ms Maureen McTague, director, events and promotions, Holmes Creative Communications, also from Toronto, directly responsible for the Junos; Dr. Bob Westbury, chair and volunteer number one in our province, looking after our local Juno organizing committee and over 1,000 volunteers; Ms Karen Topilko, executive assistant to Dr. Westbury, who helps him out a great deal; Dr. Jeffrey Anderson, executive director, recently appointed to the Alberta Foundation for the Arts and now recently our executive director in charge of the arts.

Mr. Speaker, the Junos in Edmonton are our single largest annual musical showcase of Canadian talent, and I'm extremely proud that CARAS chose Alberta as being the first Canadian prairie province ever to host the Junos. Please join me and our Premier to thank and welcome these outstanding individuals for making the Junos a reality in Edmonton.

Thank you.

head: **Introduction of Guests**

The Speaker: The hon. Member for Edmonton-Beverly-Clareview.

Mr. Yankowsky: Thank you, Mr. Speaker. I rise to introduce to you and through you to this Assembly the mother and brother of one of our pages, Whitney Haynes. Whitney's mother, Brenda Haynes, is employed by Alberta Justice, and brother Landon is a grade 7 honours student at St. Nicholas school. Ms Haynes and Landon are seated in your gallery, and I would at this time like to invite them to please stand and receive the very warm welcome of this Assembly.

The Speaker: The hon. Minister of Sustainable Resource Development.

Mr. Cardinal: Thank you very much, Mr. Speaker. I'd like to introduce to you and through you to members of the Assembly four members of my finance branch. These members played a very important role in the development of the budget which I presented in the House yesterday. The members are Gerry Steckler, Karen Yan, Bill Waymen, and Jean Stricklin. They are seated in the members' gallery. I'd like them to rise and receive the traditional warm welcome of the Assembly.

The Speaker: The hon. Solicitor General.

Mrs. Forsyth: Thank you, Mr. Speaker. It's my pleasure to introduce to you and through you to the members of the Assembly a visitor of mine who's in the Legislature for the first time, and he's keenly interested and excited to be here. I'd like to ask Mr. Kenny McElroy to rise and receive the traditional warm welcome of the Assembly.

The Speaker: The hon. Member for Peace River.

Mr. Friedel: Thank you, Mr. Speaker. It's a pleasure to introduce to you and to the members of this Assembly some very good friends of mine. They are members of the council of the Northern Sunrise county who are down in Edmonton for the AAMD and C spring conference and came to see how the Assembly operates, suggesting maybe that they would like some lessons on how to operate a raucous council meeting. My guests are Reeve Carolyn Kalebaba and her husband, Mike; Deputy Reeve Gary Lindstrom and his wife, Trudy; CAO Bob Miles; Evans Lavio, councillor; Julie Gour, councillor; and Ed Dziengielewski, councillor, and his wife, Nancy. I see they're standing. I would ask the members to give them the traditional warm welcome of this Assembly.

The Speaker: The hon. Member for Drayton Valley-Calmar.

Rev. Abbott: Thank you, Mr. Speaker. This being spring break I have the great pleasure and honour of having my whole family here with me today. I'd like to ask them to stand as I introduce them. First of all, my beautiful wife, Linnette, who, although she looks half my age, really is older than me; my oldest son, Taylor; my daughter, Jenna-Leigh; and my littlest son, Lucas. I'd ask the Assembly to welcome them, please.

The Speaker: The hon. member should know that the Assembly cannot protect a member from himself.

The hon. Member for Edmonton-Manning.

Mr. Vandermeer: Thank you, Mr. Speaker. It's my pleasure to

introduce to you and through you some constituents of mine that are visiting the Legislature while enjoying their spring break. I hope that they have all arrived, and I hope that I pronounce their names properly. The first one is Mr. Stephen Changarathil, along with his wife, Mrs. Sally Changarathil, and their son Mr. Thomas Changarathil; also Mr. Cel Robato, along with his son Joseph. I'd ask that they all rise and please receive the warm welcome of this Assembly.

The Speaker: The hon. Minister of Seniors.

Mr. Woloshyn: Thank you very much, Mr. Speaker. I'd like to introduce two special young ladies from Blessed Kateri school who are also on spring break but have come here to see the workings of our Legislature. I would ask Ashlynn Gentles to rise, as well as Adriana, please. Would you stand up? They are accompanied by their father, Leeroy Gentles, who's a social worker with Children's Services, and one of my secretaries, Lisa Gentles, who works in my office. Would you please welcome them.

The Speaker: The hon. Member for Edmonton-Strathcona.

Dr. Pannu: Thank you, Mr. Speaker. I'm thrilled to rise and introduce to you and through you to all members of the House a dynamic duo of grandfather and granddaughter. Reg Basken is a retired president of the Communications, Energy and Paperworkers Union of Canada, former chair of the Edmonton United Way campaign, current board member of the Edmonton Community Foundation, and last but not least, president of the Alberta New Democrats. His granddaughter is Jessica Basken. She is graduating from Holy Trinity Catholic high school this May at age 17 and as soon as she turns 18 will be enrolling in postsecondary courses with the goal of becoming a social worker. Both granddaughter and grandfather are sitting in the public gallery. I will now ask them to rise and receive the traditional warm welcome of the Assembly.

head: 1:40

Oral Question Period

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

School Construction in Edmonton

Dr. Taft: Thank you, Mr. Speaker. The children and families of Edmonton desperately need new schools. The Edmonton public school district alone needs eight new schools by next year and has received funding for none. Even when a new school is announced, as was the case with Victoria school of the performing arts, the cockamamie process of the Department of Infrastructure leaves it in turmoil for years. To the Premier: given Edmonton's booming growth and the government's huge surpluses, how does he explain to the thousands of children in Edmonton who need schools that they don't deserve one?

Mr. Klein: Mr. Speaker, first of all, I would like to remind the hon. Leader of the Official Opposition that since the year 2000 we have spent \$1.1 billion on capital projects relative to schools. I'm going to talk about the capital region, as most people do when they talk about Edmonton.

We'll start with the A's: Ardrossan, Holy Redeemer Catholic school, two portables, \$255,000; Beaumont, l'école Coloniale Estates school, addition of a CTS instructional area, \$1.7 million; Beaumont, l'école secondaire Beaumont composite high school, addition of six classrooms, one ancillary room, library resource

centre, \$1.5 million; Beaumont, l'école secondaire Beaumont composite high school, moved portable from l'école Coloniale Estates to l'école Beaumont, transfer payment here from east elementary – I don't know what all that's about; it's \$21,000 anyway – Calmar, New Humble Centre school, \$26,000; Calmar elementary school, new K to 12 school, \$5.3 million; Devon, Robina Baker elementary school, lease support for Devon primary school, \$32,000; Devon core school, new Devon K to 9 Catholic school, \$4.3 million; Devon, John Maland high school, student health initiative . . .

The Speaker: I think, hon. Premier, that if we're only to the D's, this could be quite an answer.

The hon. leader.

Dr. Taft: Thank you, Mr. Speaker. The Premier proves our point.

Given the delays and broken promises concerning the Victoria school, how can the public trust this government's announcements that schools will actually be built as announced?

Mr. Klein: Well, Mr. Speaker, I'll skip the D's and move right to the E's: Edmonton, Aurora charter school, lease support for Misericordia nurses school and residence to August, \$166,000; Edmonton, l'école Maurice-Lavallee, one freestanding portable, \$57,000; Edmonton, l'école Notre Dame, lease support for temporary accommodation of McQueen school, \$19,000; Edmonton, l'école Notre Dame modernization, \$3 million; Edmonton, l'école Notre Dame, addition of four entrance vestibules, library, mezzanine, mechanical fan room, et cetera, \$173,000; Edmonton, l'école Père-Lacombe, addition of entrance vestibule, library, mezzanine, new mechanical fan room, \$327,000; Edmonton, l'école Père-Lacombe, modernization facility, transferred funding advancement of \$396,000 from deleted l'école publique Gabrielle-Roy project; Edmonton l'école Père-Lacombe, one free-standing portable, purchase and set-up; Edmonton l'école St. Jean D'Arc, addition of new classrooms, new gym, gym support areas and student gathering area, \$3.5 million.

The Speaker: The hon. leader.

Dr. Taft: Thank you, Mr. Speaker. To the Minister of Infrastructure: has this government ever considered the possibility that forcing children to travel long distances to attend overcrowded schools in distant areas of the city is contributing to the astonishing 35 per cent high school dropout rate in Edmonton?

Mr. Lund: Well, Mr. Speaker, the member only heard part of the great story of building schools in Edmonton. Since the year 2000 there have been 180 projects in schools in the area of Edmonton – 180 projects – and the fact is that there was \$52 million given to the public system last year, and the 180 projects don't even include the schools that will be dealt with in that \$52 million.

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

Security of Sour Gas Wells

Dr. Taft: Thank you, Mr. Speaker. Last week the FBI issued a warning to Canada after receiving a terrorist threat against its oil and gas companies. Albertans are particularly vulnerable in this case because much of the gas production is of deadly sour gas. This is especially alarming given that many sour gas wells are protected by little more than a shed and a chain-link fence. To the Premier: given

that just two years ago a man broke into a sour gas well near Caroline and committed suicide by causing a high-pressure release using merely pliers and a socket wrench, what's preventing a terrorist from approaching a sour gas well and causing a catastrophic event?

Mr. Klein: Mr. Speaker, I really can't answer that question because I don't know what would prevent a terrorist. But I can tell you that our Minister of International and Intergovernmental Relations has been working with industry on a security plan. I'll have him supplement, and perhaps the Minister of Energy may have something to add.

Mr. Jonson: Mr. Speaker, the government of Alberta has put a considerable emphasis on improving security measures in this province. We have established a crisis centre, a communications centre that's state of the art. We have developed through the Department of Municipal Affairs and the Department of the Solicitor General various networks in terms of being able to gather information and to be up to date on any terrorist threat that occurs across this province.

In fact, Mr. Speaker, the model that has been developed here in Alberta under the leadership of our overall security committee, which was established two years ago, has been commended and referred to as an example that might be copied by such governments as the federal government with respect to dealing with some of the issues that they're currently facing.

The Speaker: The hon. member.

Dr. Taft: Thank you. Given that there's a proposal to drill six sour gas wells on the southeast city limits of Calgary, what reassurances can the Premier give Calgaryans that they are not at risk from terrorist attacks on these wells?

Mr. Klein: Mr. Speaker, as the hon. minister pointed out, steps are being taken to secure the oil and gas industry generally against terrorist attacks, and I would imagine that the gas wells or the proposal to which the hon. leader alludes falls under that protection.

But I'll have the hon. minister respond, maybe the Minister of Municipal Affairs.

Mr. Smith: Mr. Speaker, you know, Alberta leads the way in a security infrastructure that defends against terrorism attacks against this very, very critical and important asset to Alberta. For the member to bring it up and expose that in a public domain only takes away from that security, so I'm a little shocked at that.

Then we watch his segue into something completely different, and that's the drilling of safe sour gas wells next to a large urban population. Mr. Speaker, that hearing has been deferred. The proponents in the hearing are consulting with the community. They are under a proposal to remove that gas faster, not slower but faster, using world-proven safe technology in this province.

1:50

The Speaker: The hon. leader.

Dr. Taft: Thank you. Back to the Premier: has this government calculated the terrorist risks associated with allowing gas facilities in and around major cities?

Mr. Klein: You know, Mr. Speaker, that is a very interesting question. As the hon. minister pointed out, the matter of gas wells

in the vicinity of Calgary is now under review by the Alberta Energy and Utilities Board. If the hon. member has concerns or specific comments or recommendations to make relative to how these fields can be made more secure, especially secure from terrorist attacks, then I would suggest that he present some evidence.

But the evidence that we would present, if we were to present any evidence, would be that we already have very significant steps in place to safeguard the industry generally – and this project would be included – from terrorist attacks.

The Speaker: Third Official Opposition main question. The hon. Member for Edmonton-Centre.

Amber Alert Program

Ms Blakeman: Thank you, Mr. Speaker. This government's Amber Alert has failed. Yesterday when an abduction occurred on the Saddle Lake reserve, it took hours for the Amber Alert system to kick in. While the child was found, the abductor got away. My questions are to the Solicitor General. Given that timeliness is so crucial, where did the system break down?

Mrs. Forsyth: Well, Mr. Speaker, the system did not break down. This Amber Alert worked, and it has worked twice in this province. The unfortunate thing about this particular member is that she doesn't know the details of what occurred from the time the child was abducted until the time the Amber Alert was ignited. But I can tell you that the RCMP in this province did an unbelievable job, and it worked well.

Ms Blakeman: Can the minister tell us if all media outlets received the Amber Alert, and if not, why not?

Mrs. Forsyth: Yes, Mr. Speaker, all media outlets got the Amber Alert.

I will let the hon. minister elaborate.

Mr. Boutilier: Mr. Speaker, under my portfolio the emergency warning system is one that we work in concert with all media across Alberta. I might add that all media across Alberta have done a very good job in terms of the success last night. When the girl was first in fact abducted, at 9:01 the actual Amber Alert went off.

I also want to compliment the RCMP because not only were there members that were on duty, members came in that were off duty. The entire community came together to help in the recovery of this girl. The system worked, and it worked very well.

The Speaker: The hon. member.

Ms Blakeman: Thank you. Finally, back to the Solicitor General: given that the media is now very skeptical about this, what is the minister doing to restore credibility?

Mrs. Forsyth: Mr. Speaker, the media in this province in igniting the Amber Alert did an unbelievable, fabulous job. I happened to be watching *American Idol*, and it came across the TV station.

We are very proud of what the police in this province have done. We are very proud of how the media conducted themselves in this province. We are very proud of this province being the first province in Canada to look at the Amber Alert, and I may add that we have had nine other provinces that have followed us and our Amber Alert.

Mr. Speaker, I think the one thing we have to keep in mind is that

the system worked, the police did a good job – I'm very proud of the police in this province – and, more importantly, the child is safe.

The Speaker: The hon. Member for Edmonton-Strathcona.

School Construction in Edmonton (continued)

Dr. Pannu: Thank you, Mr. Speaker. Once again the Edmonton Tory caucus has failed to do their job, and the government has ignored the growing list of schools that need to be built in this city. Wellington school, Castle Downs high school, and High Park school: these are just some of the priorities set by the Edmonton public school board that have been ignored by this government. The needs of Edmonton children are going begging because of the ineffectiveness of the Edmonton government caucus and the disregard of this government. My questions are to the Premier. Given that Edmontonians were promised that if they voted for the Tories their concerns would be met, why has the government again neglected to meet the infrastructure needs of the Edmonton public school system?

The Speaker: Hon. Premier, I think you were at Edmonton and starting with P's.

Mr. Klein: Yes, I was. I'll finish off because the next one on the list, Mr. Speaker, is a brand new school. It's the George P. Nicholson school. That's a new elementary school in Twin Brooks. Capital health also provided \$465,000, and the YMCA provided \$464,000. The total cost of that school was \$6.5 million. Then I could go to the Suzuki charter school, two upgradings there valued at about \$60,000. Various locations throughout the city of Edmonton, various renovations of a minor nature, but they add up to about \$500,000.

Then we go to Archbishop Joseph MacNeil school – that's a new school, \$6.7 million – and the Archbishop Oscar Romero school, a new school at \$12.5 million. Mr. Speaker, then we go to Father Michael Troy, a new junior high school at \$6.7 million; Jackson Heights elementary, a new school at \$5.8 million. The list goes on and on and on.

Dr. Pannu: Mr. Speaker, that's not good news for Albertans who hear that their Premier lives in the past.

Given that this government gave extra money last year to the Calgary school board, froze insurance rates that were unfair to Edmonton, and stood by as Edmonton lost a seat in this Assembly, can the Premier tell the House why he has again betrayed the capital city?

Mr. Klein: Mr. Speaker, the list is so extensive, but I'll go from that list to what we've done for secondary and postsecondary school projects. In the year 2000 \$6 million, in the year 2001-2002 \$21 million for the University of Alberta. There's \$6 million for NAIT. Athabasca University facility expansion here in the city of Edmonton, \$3 million. University of Alberta health research innovation centre – this hon. member should pay attention because he worked at the university and that's where most of the money went and he represents that area – the University of Alberta natural resources engineering facility, \$25 million; the University of Alberta power plant expansion, \$27.5 million. The Minister of Infrastructure will be announcing more money for NAIT in the very near future. I don't know what this person is talking about, especially when he represents the constituency to which most of the money has gone.

2:00

Dr. Pannu: Mr. Speaker, again to the Premier: why is the Premier denying young Edmontonians, children six, seven, eight, nine, 10 years old, the right to have their own schools to which to go?

Mr. Klein: Mr. Speaker, you know, I could continue with the list. The list is absolutely endless.

We predicate our capital funding on where the need is greatest and on a priority basis. I just pointed out where in this member's constituency millions and millions of dollars have gone, and he is not appreciative. Would he rather we call that money back? It all went to educational institutions, namely the University of Alberta, where this hon. member taught, and here he is begrudging them that money.

The Speaker: The hon. Member for Olds-Didsbury-Three Hills.

Confined Feeding Operations

Mr. Marz: Thank you, Mr. Speaker. At the annual Association of Municipal Districts and Counties conference in Edmonton this week concerns have been expressed about whether municipalities will continue to have an influence over confined feeding operations under Bill 17. My question is to the Minister of Agriculture, Food and Rural Development. Could the minister explain to the Assembly what role the municipalities will have under the proposed amendments to the Agricultural Operation Practices Act?

Mrs. McClellan: Mr. Speaker, the House would recall that when we introduced the Agricultural Operation Practices Act, we stated at the time that after a year of operation we would have a review of the act, because it was a new way of dealing with confined feeding operations, to make sure that there were no gaps in the system. That review was very ably led by the Member for Leduc, and the amendments that were brought forward in this session and, in fact, passed in this session were done to bring clarity to the act. This gives a clear understanding of the responsibilities of the confined feeding operator, the municipality, the public, and the NRCB.

Mr. Speaker, one of the fundamentals of the Agricultural Operation Practices Act continues to be that neighbours are protected; their well-being is considered. It continues to encourage municipalities to identify where these operations could or could not be built, and municipalities continue to play a very important role in the siting and operation of these facilities.

Mr. Marz: To the same minister: can the minister explain why these amendments were made and what they hope to achieve?

Mrs. McClellan: Mr. Speaker, again, the NRCB I think has proven over the last few years that it very capably carries out what is held in that act. We did make some improvements to the act. Primarily, they were in technical areas to ensure that when the NRCB enforced the act and carried out their responsibilities under the act, those technical issues were not a difficulty for them. Responsibility and authority in a number of areas were clarified in that, respecting municipal development permits, for one, and health authority permits, for another.

Mr. Speaker, you can't have patchwork rules across the province. You have to have consistency to protect the municipality, the investment of the operator, and, of course, to protect our air, soil, and water, which was the primary focus of this act at the outset.

The Speaker: The hon. member.

Mr. Marz: Thank you, Mr. Speaker. Again to the same minister: given that concerns were expressed this morning and last night about not knowing what was coming in this bill, were municipalities and other stakeholders consulted regarding these amendments to Bill 17?

Mrs. McClellan: Well, Mr. Speaker, very definitely they were. In fact, in May of 2003 there was a discussion paper and a questionnaire sent to every municipality, and 23 municipalities wrote back with recommendations. There were consultations with the board of the Alberta Association of Municipal Districts and Counties, and we received many thoughtful comments about the process from people in municipalities.

Mr. Speaker, it is important to continue that, because it was expressed at the mayors and reeves meeting two days ago, this meeting in conjunction with the AAMD and C annual meeting – the Member for Leduc and two senior staff from my department went over to their convention and, I understand, met with 50 representatives from councils, had a very good discussion, and I think were able to clear up a number of misunderstandings.

Again, our commitment is to work with our partners to make this work. The municipalities want it to work, the operators want it to work, and this government wants it to work.

The Speaker: The hon. Member for Edmonton-Gold Bar, followed by the hon. Member for West Yellowhead.

Rural Gas Co-ops and Electrification Associations

Mr. MacDonald: Thank you, Mr. Speaker. This government continues to scheme to destroy rural electrification systems and natural gas co-ops. Instead of protecting rural electrification associations and natural gas co-ops, which have provided rural areas with quality utilities at affordable prices for decades, this government is doing its best to dismantle them. In a recently sent letter, which I will table at the appropriate time, Alberta's executive director for electricity states that by 2010 all consumers will be able to choose their electricity supplier. This would also include members of REAs. My first question is to the Premier. Why does this government pretend to respect the autonomy of rural Alberta when it plans to break up valued community services like REAs and natural gas co-ops?

Mr. Klein: Mr. Speaker, that statement is untrue. For the truth I will call on the hon. minister.

The Speaker: The hon. minister.

Mr. Smith: Well, thank you, Mr. Premier, and thank you, Mr. Speaker. In fact, one of the problems with this member is that his preamble is always so exaggerated that it extends the answer that you must give in order to deliver factual information.

In fact, the REAs do a good job, a great job, of delivering electricity in this province. Out of some record 9,260 megawatts that the maximum load drew this year, the REAs continued to deliver somewhere in the neighbourhood of 57 to 65 megawatts dependably to their members. There are certain REAs that have chosen ways to market their product, and others are looking at different and unique ways to market their product. Some have embraced the deregulation more wholeheartedly than others. What we do know is that there is ample electricity and there is ample natural gas for those associations to continue to deliver their product to their members at reasonable prices.

Now, Mr. Speaker, what we also know is that the competitive

generation model has brought more investment into rural Alberta, consistent with the rural development initiative put forward by the Member for Innisfail-Sylvan Lake and the Member for Wainwright, than ever before. In fact, wind power in this Conservative votin', gun totin', pickup drivin' province today delivers more green power into this grid than any other jurisdiction in Canada.

So, in fact, competitive market generation supports rural Alberta. It's not like you. It does not drag it down.

The Speaker: The hon. member.

Mr. MacDonald: Thank you, Mr. Speaker. Again to the Premier: given that the Alberta Association of Municipal Districts and Counties has urged the government to unplug energy deregulation, is dismantling rural Alberta's electricity and natural gas co-ops this government's policy of revenge against rural Alberta?

Mr. Klein: Mr. Speaker, there was no policy of revenge against rural Alberta. As a matter of fact, I ran into, oh, I think it must have been 12 or 13 of our ministers at the convention of the Alberta Association of Municipal Districts and Counties this morning. I spoke to them. I didn't hear any comments whatsoever about rural electrification or gas co-ops. I don't know how many were at that convention. I would guess a thousand or more people who represent municipal districts and counties throughout this province. I understand from the ministers that I spoke with that they were very, very pleased, indeed, with the actions of this government and the direction that this government is going in overall. The comments that I heard from delegates to the convention were very positive, indeed.

2:10

But I did talk about dome syndrome, dome disease, which they have. They have it very, very seriously, and they should go someplace and get treated for it, because the real situation is out there at the AAMD and C conference where the leaders of the municipalities are, and I believe what they say. I listen to what they say, not what these people say, who are severely afflicted with dome disease.

Mr. MacDonald: That's shocking.

Again to the Premier: why is this government continuing with a \$3 million propaganda campaign aimed at convincing rural Albertans to abandon their REAs and their gas co-ops for a fictitious competitive market?

Mr. Klein: Mr. Speaker, again that is a very misleading, to say the least, statement and preamble. Relative to rural electrification associations and gas co-ops I'll have the hon. Minister of Energy respond, because he's in charge of policy, relative to the way they operate just to enlighten the hon. member because I know that he doesn't get out to the rural areas unless he takes it upon himself to go out. He's never invited. I know that for sure.

I will have the hon. Minister of Energy respond, then the hon. Deputy Premier, who is responsible for the day-to-day operations of these agencies.

The Speaker: The hon. minister.

Mr. Smith: Thank you, Mr. Speaker. It's an important question, and again the answer has to be somewhat extended because of the falseness of the preamble. Let me start out by saying that I went to a college called Notre Dame College at Wilcox. At that time a very charismatic individual by the name of Monsignor Athol Murray said to me that there are two kinds of people: those people on the

building crew, those people on the wrecking crew. I think we know what side this government is on.

Mr. Speaker, this individual, this group every time talk about how bad things are in rural Alberta, how bad things are in Edmonton, how bad things are in Calgary, depending on the point of the moment. In reality, because of the great gift of the resources that we have, a gifted leader, and the fact that we have competitive market generation, this is the largest and fastest growing economic jurisdiction in North America, and in spite of their efforts it will remain so.

The Speaker: The hon. Member for West Yellowhead, followed by the hon. Member for Edmonton-Centre.

Education Property Tax Rate

Mr. Strang: Thank you very much, Mr. Speaker. Based on the education tax rate that was announced in the budget last week, the municipality of Jasper says that residents are facing an education tax increase. Can the Minister of Municipal Affairs explain why even with a cut in the provincial education tax these constituents are seeing an increase?

The Speaker: The hon. minister.

Mr. Boutilier: Yes. Thank you, Mr. Speaker. Government did cut the school property tax rate, as was announced in the budget last week, by 2.3 per cent, and I think that was welcome news by all citizens. However, because there are new homes and the value of people's homes has gone up, more education property tax will be collected in terms of supporting the basic learning system. But because there are more citizens coming to Alberta, because there are new businesses coming to Alberta, it's living proof that the Alberta advantage is alive and well and also that the pie is growing in terms of the challenges we face. In fact, for Jasper, a beautiful place to live and work, I would like to say that we have implemented a capping system in order to assist the residents in the Jasper area.

The Speaker: The hon. member.

Mr. Strang: Thank you, Mr. Speaker. My first supplemental question is to the same minister. The municipality of Jasper sits within the national park. As such, it's facing a severe market restriction. What measures has the government taken to ensure that residents within national parks are not faced with a significant tax increase?

The Speaker: The hon. minister.

Mr. Boutilier: Thank you, Mr. Speaker. We will continue to apply the capping formula, which is so important, because we want to be assured that every Albertan doesn't face a jolt. We don't like surprises and we don't like jolts when it comes to property taxes in high-growth areas such as the beautiful area in Jasper.

Now, I would like to also say that based on a four-year average, the residential assessment, the increase is minimized to about 4.2 per cent, and this will further offset because there has been new development in the Jasper area. But because Jasper is a beautiful place to live, people are moving there. I do know that the Minister of Learning has in his purview a special education rate which, if he wishes, he could apply to the particular municipality that the hon. member is talking about.

The Speaker: The hon. member.

Mr. Strang: Thank you, Mr. Speaker. My second supplemental question is to the same minister. The town of Banff receives the benefit of a special tax rate. Would the minister be prepared to support the same special tax rate for all mountain communities, even Jasper?

The Speaker: The hon. minister.

Dr. Oberg: Thank you very much, Mr. Speaker. The hon. member has done a wonderful job in representing his constituents and came to me in the last couple of days and asked me this exact question. He won me over. Because of the federal restriction on development, because of the federal restrictions on residency, he did convince me. Under the School Act I do have the authority to make special tax rates, and we will be doing that in Jasper.

The Speaker: The hon. Member for Edmonton-Centre, followed by the hon. Member for Drayton Valley-Calmar.

Correctional Services

Ms Blakeman: Thank you, Mr. Speaker. The report on corrections issued yesterday recommended that Alberta continue to monitor the privately run prison in Ontario set up by that province's former Tory government. The report stated that "the Government of Ontario is to be commended for embarking upon this innovative initiative." The report also recommended that five protective vests be issued to each adult corrections facility. My questions are to the Solicitor General. Given that a seven-year comparison between public and private corrections facilities in California has shown that escape rates are 21 times higher, why is the Solicitor General keeping this issue alive by continuing to monitor it?

Mrs. Forsyth: Well, Mr. Speaker, it's always nice to keep an eye on what's happening across this country, and, you know, I think that's what's nice about Alberta. We look at what's successful, what isn't successful. We continue to watch and learn from what other people are doing across this country.

The Speaker: The hon. member.

Ms Blakeman: Thank you. Like electricity, I guess.

Given the inmate deaths and riots at Penetanguishene, why is the Solicitor General holding this up as a model for Alberta?

Mrs. Forsyth: Again, Mr. Speaker, it's important to watch what's happening across this country, and it's important to watch what's happening in the United States. No one has said that we're moving ahead to privatize our prisons. I think what the hon. members for Red Deer-North and Edmonton-Castle Downs and Lac La Biche-St. Paul said is: don't close the door on the issue; just continue to monitor it.

The Speaker: The hon. member.

Ms Blakeman: Thank you. Again to the Solicitor General: given that only five protective vests will be given to each adult correctional facility in Alberta, does the Solicitor General expect corrections officers under attack to stand in line and wait their turn for a vest?

Mrs. Forsyth: Well, again, Mr. Speaker, we got them their five protective vests. What the member is not seeing is that also

protective vests are available for the emergency response team. I wish she would get her facts straight.

The Speaker: The hon. Member for Drayton Valley-Calmar, followed by the hon. Member for Edmonton-Mill Woods.

2:20

Police Services

Rev. Abbott: Thank you, Mr. Speaker. The budget announced last week contained significant funding increases for policing, but it also noted that only municipalities that pay for policing will receive provincial fine revenue. I know that some smaller municipalities have come to depend on this revenue to balance their books, so my questions today are for the Solicitor General. Can the minister clarify this issue of who will receive the fine revenue and who will not?

The Speaker: The hon. minister.

Mrs. Forsyth: Thank you, Mr. Speaker. The hon. member asks a very good question. In the recent budget we introduced \$58 million in new funding for policing, 16 and a half million dollars of which was transferred from the Minister of Municipal Affairs, which was greatly appreciated, from unconditional to a conditional grant. We also introduced a per capita grant formula of \$16. The other thing that I think is important is that we provided funding for 20 towns with a population of 5,000 and under.

One of the things that was discussed when we were looking at a police funding model with the AUMA and the AAMD and C, when we were talking about how to introduce some type of funding, was the fact that the fine revenue of communities that do not pay for their policing should come back to the province, and that will then go back into policing. It's one of the things that we're looking at; it's one of the things we're considering. Right now, though, Mr. Speaker, it's status quo.

The Speaker: The hon. member.

Rev. Abbott: Thank you, Mr. Speaker. The minister mentioned special constables. Given that just this morning the AAMD and C passed a resolution urging the government to enhance the powers of special constables to give them a larger role in policing, can the minister tell the House if that is being considered?

Mrs. Forsyth: Well, Mr. Speaker, the member that has asked the question is the same member that brought a motion forward that passed in this House in regard to special constables. We do employ special constables across this province, and the special constables that work in this province do a wonderful job. At this time we're not looking at enhancing their powers, but we sure are looking at making sure that all the municipalities will be receiving a standards manual that will let everyone know the responsibility of the special constables in this province. I think it's clear to understand – and I've said this in the Legislature before – that the special constables are a complement, but they are not police officers.

The Speaker: The hon. Member for Edmonton-Mill Woods, followed by the hon. Member for Edmonton-Highlands.

High School Completion Rate

Dr. Massey: Thank you, Mr. Speaker. According to Alberta Learning's own numbers, the three-year high school completion rate

has remained at 65 per cent from the 1999-2000 school year to the present. More incredibly, Alberta Learning considers this an appropriate target to be met. My questions are to the Minister of Learning. What has the minister done to ensure that the other 35 per cent of Alberta high school students stay in school and graduate within three years?

Dr. Oberg: Mr. Speaker, one of the very important elements of the learning system, obviously, is graduating from high school. This has been one of the issues that we have looked at extensively, and we have numerous programs that are aimed at keeping kids in school.

One of the anomalies is the three-year versus five-year graduation rate. Yes, the three-year rate is around 65 per cent, which is low. The five-year rate is significantly higher at very close to 74, 75 per cent. We really feel that the five-year rate is more accurate because there are students who take four years in high school, some who take five years in high school. The other situation is that when you actually extend it out to 10 years, I believe – and I stand to be corrected on this – we're up around 90, 91 per cent.

Mr. Speaker, 100 per cent is the number of students that should be graduating from high school. I do not necessarily say three years. It would be nice to be three years. Five years is probably realistic, and that's what we're setting our sights towards. The Learning Commission themselves said 90 per cent.

Dr. Massey: Again to the same minister: what are those specific changes that have been made to try to encourage students to complete the program within three years?

Dr. Oberg: I can give you some, Mr. Speaker. One of the issues when it comes to high school graduation is in our aboriginal communities. We have launched our First Nations, Métis, and Inuit education policy, which has had very good success. We have some jurisdictions now in Northland school division where you're actually seeing students graduate, which is a first in some of these particular areas.

We have also done other significant things such as the RAP program, which encourages students to take an apprenticeship program in school. We have the aboriginal apprenticeship program, which starts apprenticeship as low as grade 8. All of these things plus many, many more are aimed at getting the students, allowing the students to graduate. We have put a lot of effort and time into putting our education system on computers so that there are different ways for the students to learn.

So, Mr. Speaker, the quick answer to this question is that almost everything we do in Alberta Learning is aimed at getting students to graduate.

The Speaker: The hon. member.

Dr. Massey: Thank you, Mr. Speaker. Again to the same minister: why has the ministry set the bar so low with respect to graduation?

Dr. Oberg: Mr. Speaker, each and every year I have a very heated discussion with my department about that exact issue. For once I will agree entirely with the hon. member that the bar should be set at a hundred per cent, recognizing that that's what we should always aim for.

The Speaker: The hon. Member for Edmonton-Highlands, followed by the hon. Member for Redwater.

Rail Link to Fort McMurray

Mr. Mason: Thank you very much, Mr. Speaker. The Premier's hobby railroad to Fort McMurray isn't even mentioned in the government's 20-year plan or the three-year infrastructure plan released with last week's budget. It's a new record. This time the government took less than two weeks to break its 20-year plan and even less time to blow its three-year infrastructure plan, not to mention the budget, all so that the Premier can play engineer. Without so much as a news release the government is committed to spending \$1.25 million on a feasibility study on this railroad. My question is to the Minister of Economic Development. Would the minister stand up and tell the House why such a big project is not even mentioned in the government's 20-year plan or the three-year infrastructure plan?

Mr. Norris: Well, you know, Mr. Speaker, if you stick around long enough, you'll hear intelligence from any source, so thank you for that.

The answer to the question that the hon. member has posed is a very simple one. The 20-year strategic plan as well as the value-added plan are very wide-reaching umbrella policies, Mr. Speaker, and they allow us as a forward-thinking government to always insert new ideas when they become available, because when you're planning a 20-year cycle, you don't always have all the opportunities in front of you. Clearly, this opportunity has come in front of us, and as a forward-thinking government it fits in not only under the 20-year strategic plan, not only under the economic development plan, not only under the hon. minister of agriculture's rural development plan but also the value-added strategy. So we would be remiss in our duty as a government if we didn't look at this opportunity. I would suggest to the hon. member that it fits into all those plans very, very well.

Mr. Mason: It's just not in them, Mr. Speaker.

This next question is to the Minister of Finance. Can she tell the House why the \$1.25 million for the feasibility study is not included in this budget, which she just presented recently?

Mrs. Nelson: Well, Mr. Speaker, I believe that the hon. Minister of Economic Development's estimates are up for debate, and those are questions that should be asked at that time. This is contained within his budget.

Mr. Mason: Thank you very much for that nonanswer.

Mr. Speaker, can the Deputy Premier shed any light on who is investing in the Athabasca Oil Sands Transportation company and what their connections to the Conservative Party might be?

The Speaker: There are two questions there.

Mrs. McClellan: Mr. Speaker, neither one of them very good to come to the government.

Mr. Speaker, the Premier has made it very clear in this House that this is an opportunity perhaps. It may be – it may be – the best way to move goods and services to the Fort McMurray area, home of the greatest investment opportunities in this province. It may be an opportunity to move goods and services from that very rich economic region. It may be. But it's actually the private investors' business as to whether they are going to invest, and I would ask the hon. member to draw on his wide net of acquaintances and friends

in that area and ask them that question. That is more appropriately directed at them.

2:30

At this point, Mr. Speaker, as has been very clearly laid out in this House, the government is involved to this extent: a portion of a feasibility study to see whether, in fact, this would be a good investment for the purposes of moving goods and services to and from the richest economic region in this province.

The Speaker: Hon. minister, with all respect I want to give another member an opportunity this afternoon.

The hon. Member for Redwater.

Avian Influenza

Mr. Broda: Thank you, Mr. Speaker. As you might know, I have quite a number of poultry producers in my area, and many of my constituents are getting somewhat nervous about the avian influenza affecting poultry flocks in British Columbia. They are worried about this virus spreading to Alberta. My question is to the Minister of Agriculture, Food and Rural Development. Could the minister explain what policies are in place to protect our poultry industry?

Mrs. McClellan: Well, Mr. Speaker, unfortunately, avian flu has been detected and identified by the Canadian Food Inspection Agency in a number of flocks in British Columbia in the Fraser Valley region, and the CFIA has moved very swiftly to isolate those flocks, remove the birds, and do the cleanup.

Mr. Speaker, probably the most important part of avoiding this is awareness, knowledge, and good biosecurity measures. The Alberta chicken producers, or feather industry, have very, very good biosecurity measures. Just to give an example of what that might be, a farmyard would quite likely be divided into zones, and there would be criteria as to where people can go when they come to that operation, where they cannot go, which is probably more important, the proper clothing that must be worn and removed when going in and out of a barn. Many things like that are a part of the biosecurity.

Mr. Speaker, our chief veterinarian in the province of Alberta, immediately upon hearing of the avian flu in Asia, met with our industry to ensure that our biosecurity measures in this province were as high as they could be and that they would be adhered to.

Mr. Broda: My first supplemental, Mr. Speaker, to the same minister: given that some countries have now closed their borders to Canadian chickens, what is the potential economic impact on Alberta poultry producers?

Mrs. McClellan: Well, again, Mr. Speaker, it's unfortunate that it appears that some nations may not be basing their decisions on science. However, I would inform the hon. member and all members of the House that Alberta actually exports only about 5 per cent of the chicken produced here, a little over \$2 million in trade. All trade is important, but I'm pleased that most of this wonderful product that's grown here is used domestically.

We don't want to lose any export markets. We want to continue to have all of these decisions based on sound science, and we'll continue to lobby for that.

Mr. Broda: My final question is to the Minister of Health and Wellness. Are Albertans at risk of contracting avian flu?

Mr. Mar: Mr. Speaker, at this time avian flu poses no health risk to

Albertans. The province does participate in a strong world-wide surveillance program for influenza including avian flu. There has been heightened surveillance in this province because of the recently confirmed case in a poultry farm worker from British Columbia.

I can explain, however, Mr. Speaker, that there's no evidence of human to human transmission of this disease. It appears that all confirmed human cases have developed after direct contact with infected poultry.

Again, Mr. Speaker, we are heightened in our surveillance of this, but at this time there appears to be no threat to human health in this province.

The Speaker: Hon. members, a few seconds from now I'll call upon the first of seven members to participate in Recognitions today, but prior to that might we revert briefly to Introduction of Guests?

[Unanimous consent granted]

head: **Introduction of Guests**
(reversion)

The Speaker: The hon. Member for Lacombe-Stettler, followed by the hon. Member for Edmonton-Centre.

Mrs. Gordon: Thank you very much, Mr. Speaker. It's a privilege for me to introduce to you and through you to members of the Assembly two guests that are seated in the members' gallery, Reeve Ray Prins and his lovely wife, Pauline. Ray, of course, is here for the AAMD and C convention. Reeve Prins provides exceptionally good governance to the ratepayers of Lacombe county. I would ask that Ray and Pauline stand and please receive the warm traditional welcome of the Assembly.

The Speaker: The hon. Member for Edmonton-Centre.

Ms Blakeman: Thank you very much. Mr. Speaker, one of the groups I always enjoy visiting with in my constituency of Edmonton-Centre is the Lions Village Railtown, and this afternoon I'd like to introduce to you and through you to all members of the Assembly six of the seniors from that residence along with their leader. Seated in the public gallery, we have Jean Leask and Mel Leask, Norah Warr, Louise Claire, Pat Bettcher, Mary Wolhand, and they're accompanied today by Michelle Kraeling. This group has a very lively current-issue debate during the morning coffee meetings that they hold every week, and it's a great honour for me to join them occasionally. They've all risen. Please welcome them.

head: **Recognitions**

The Speaker: The hon. Member for Little Bow.

Picture Butte Sugar Kings

Mr. McFarland: Thank you, Mr. Speaker. On March 20, 2004, the Picture Butte Sugar Kings won the provincial 2A basketball championship in Lethbridge, defeating Immanuel Christian Eagles. This is the fourth consecutive provincial high school final that the Picture Butte Sugar Kings have participated in, winning three silver medals and this year the gold.

I'm pleased, Mr. Speaker, to recognize head coach Kevin Reiter, assisted by his coaches Arnie Bergen Henengouwen and Mr. Ted Johnson, and of course the Sugar King team members: A.J. Bergen Henengouwen, Mike Caruso, Richard Doerksen, Eli Fowler, Marc

Leclair, Rory McLeod, David Murray, Tyler Russell, Cody Schooten, and Shawn Vander Heyden. Coach Reiter has been coaching junior and senior high school basketball for 21 years and is very dedicated to the sport and to all his athletes.

I wish to extend congratulations to the 2A provincial boys basketball champions.

The Speaker: The hon. Member for Lac La Biche-St. Paul.

Advanced Coronary Treatment Foundation High School CPR Program

Mr. Danyluk: Thank you very much, Mr. Speaker. I rise today in the Assembly to recognize an important program introduced in my constituency. The Advanced Coronary Treatment Foundation high school CPR program has made a positive impact in Alberta communities. In the St. Paul education regional division over 300 students from 10 high schools will be trained in CPR. This program has been implemented in the communities of Ashmont, Mallaig, Two Hills, St. Paul, Mymam, Heinsburg, and Elk Point.

Students are taught the early warning signs of heart attacks and strokes as well as how to react to these indicators. Practical skills such as basic CPR and the Heimlich manoeuvre are taught through the training.

The ACT Foundation is a national nonprofit association that helps high schools across Canada to implement a core curriculum CPR program for youth. The foundation operates in partnership with health professionals, service clubs, government, and the community to establish this critical program. I would like to commend the ACT Foundation and its partners.

Thank you very much, Mr. Speaker.

The Speaker: The hon. Member for Calgary-West.

Trinity Lodge Retirement Residence

Ms Kryczka: Thank you, Mr. Speaker. On Saturday, March 27, I was invited to attend as chair of the Seniors Advisory Council the grand reopening of the Trinity Lodge retirement residence, home to 185 seniors and located in the Premier's constituency of Calgary-Elbow. Trinity has just completed a major renovation, and the residents and the community are very proud of the results.

What a wonderful event it was. The festivities included a kids' corner, live jazz and vocal bands in the dining room, a ribbon cutting, dancing, a ladies vocal group in the card lounge, guided tours, refreshments, and, very importantly, meeting the residents.

The Premier was of course the most honoured guest, with Alderman Barry Erskine, ward 11, and me. As the Premier noted, Trinity Lodge has provided quality, independent housing for seniors since 1975, and it just keeps reinventing itself to better meet the needs of today's seniors.

Congratulations, Trinity Lodge, on your beautiful new home, truly a warm, friendly place.

Thank you.

The Speaker: The hon. Member for Edmonton-Glenora.

2:40

Rotary Club of Edmonton

Mr. Hutton: Thank you very much, Mr. Speaker. It's a pleasure for me today to rise and recognize the Rotary Club of Edmonton on its dedication and commitment to the betterment of the city and our communities. Further, I would like to acknowledge the hard work

of two individuals, Harry Buddle and Daryl Wilson, of the downtown club.

Yesterday morning they organized a very successful breakfast fundraiser that generated more than \$30,000 to support two Rotary centennial projects: the Bissell Centre, which provides an invaluable range of services to low-income Edmontonians, and the Lurana Shelter, which is a temporary sanctuary for abused women and families. The breakfast fundraiser was attended by 500 distinguished business and community leaders from the Edmonton area. In the audience were four government ministers, including the hon. Justice minister, the Economic Development minister, Community Development, and Transportation, as well as 18 of my colleagues from the Legislature.

Over the years the Rotary Club of Edmonton has supported and funded a number of projects in our city and province and worldwide. Edmonton Rotarians are part of a global family of community and business leaders who are committed to making the world a better place for all.

Thank you, Mr. Speaker.

The Speaker: The hon. Member for Edmonton-Castle Downs.

Emergency Responders

Mr. Lukaszuk: Thank you, Mr. Speaker. I would like to recognize the police officers, firefighters, paramedics, nurses, doctors, and correctional officers who are exposed to bodily fluids and blood in the course of their duties. The men and women working in these professions place their health and well-being on the line to protect and save our lives.

Unfortunately, a growing number of at-risk suspects demonstrate irresponsible behaviour by infecting others with little or no regard for the horrible emotional and physical harm inflicted on the victims and their families or their friends. Based on conversations and correspondence with police services, firefighters, and union locals across Alberta, an increasing number of professionals are being bitten, scratched, and spat upon by people who use that as a threat or a potentially fatal weapon aiming at disease.

Mr. Speaker, for thousands of Albertans who work in professions where it is their duty to stand in harm's way, forcing a blood sample from people who infect emergency workers is a necessary step to improve the well-being of people who work in increasingly dangerous conditions. It is for these reasons, Mr. Speaker, that it is imperative to continue the process of discussion on Bill 204.

Thank you.

Edmonton's Food Bank

Mr. MacDonald: I rise today to congratulate Edmonton's Food Bank on its new home, where I know staff and volunteers will continue to help even more people who have fallen on hard times.

The Food Bank's mission is to be stewards in the collection of surplus and donated food for effective and free distribution to people in need. Thanks to the generosity of Edmontonians the Food Bank has been successful in its mission and fed almost 154,000 hungry people last year.

But the Food Bank can never rest and always needs to collect and distribute more donations. Edmonton's Food Bank participates in 300 special events during the Christmas season alone, and its mascot, Fill-up, has become a familiar sight all over the city.

Donations to the Food Bank are accepted at local grocery stores and fire halls throughout the year and now at the Food Bank's new location at 11508 - 120th Street. We should all make a donation of

money or a nonperishable food item in honour of its grand opening.

I wish the Food Bank well.

Thank you.

The Speaker: The hon. Member for Edmonton-Centre.

Seniors United Now

Ms Blakeman: Thank you very much, Mr. Speaker. This morning I attended the annual general meeting of Seniors United Now, or SUN. SUN believes that it is only by banding together that the government will pay attention to the concerns of Alberta's seniors. The group believes that seniors can only persuade the government to restore benefits taken from them over the last 11 years by demonstrating that a large number of Alberta's seniors are prepared to vote for the party that will restore their benefits.

I invited the 400 or so seniors at this morning's AGM to join other seniors and sit in the Legislature gallery during the May 6 Seniors ministry budget debate, showing this government that seniors are not satisfied with what they received in the 2004-2005 budget. The government can't claim that it hasn't heard about seniors suffering as a result of its decisions, and still it hasn't restored benefits, but there wasn't any relief for seniors in the budget released this week.

The SUN group remains determined, and its fact sheet states and I quote: the general opinion is that the real surplus is even greater than was announced on March 24. Once again, the government, like any other bully, keeps hitting those who do not fight back. Keep on going, SUN.

Thanks very much.

The Speaker: Hon. members, one additional recognition today, but a little test to go with it. If you take the number 11 and you multiply it by an even number, you will determine the year in which on this day the hon. Member for Rocky Mountain House, the Minister of Infrastructure, was born. So happy birthday to him.

head:

Presenting Petitions

The Speaker: The hon. Member for Edmonton-Castle Downs.

Mr. Lukaszuk: Thank you very much, Mr. Speaker. I would like to present a petition signed by 866 Albertans petitioning the Legislative Assembly to "support Bill 204, the Blood Samples Act, which will provide more security and peace of mind for people working in occupations who have a higher risk of exchanging bodily fluids with a potential carrier of a blood borne disease."

Thank you, Mr. Speaker.

The Speaker: The hon. Member for Edmonton-Strathcona.

Dr. Pannu: Thank you very much, Mr. Speaker. I rise to present this petition on behalf of my hon. colleague for Edmonton-Highlands. The petition is signed by 121 Albertans petitioning the Legislative Assembly to urge the government of Alberta

1. To immediately withdraw the draft management plan for the Evan-Thomas Provincial Recreation Area and revise it so as to disallow any further commercial or residential development of the Kananaskis Valley;
2. To redesignate the Evan-Thomas Provincial Recreation Area and adjacent unprotected public lands as a Provincial Park, with those parts currently undeveloped designated as Wildland Provincial Park;
3. To maintain Kananaskis Country in a natural state that provides high quality wildlife habitat and nature-based recreational opportunities.

Thank you, Mr. Speaker.

head: **Introduction of Bills**

The Speaker: The hon. Minister of Revenue.

Bill 27
Alberta Corporate Tax Amendment Act, 2004

Mr. Melchin: Thank you, Mr. Speaker. I request leave to introduce Bill 27, the Alberta Corporate Tax Amendment Act, 2004.

As part of Alberta's business tax reduction strategy this bill amends the existing act to reduce both the general corporate rate and the small business rate by 1 per cent each: the general rate from 12 and a half per cent to 11 and a half per cent and the small business rate from 4 per cent to 3 per cent. With these changes the Alberta corporate income tax will be the second lowest among the provinces. The small business rate will be the lowest in Canada, tied with New Brunswick. The proposed amendments also reflect the federal resource taxation legislation administrative changes.

Thank you.

[Motion carried; Bill 27 read a first time]

The Speaker: The hon. Government House Leader.

Mr. Hancock: Thank you, Mr. Speaker. On Monday, March 23, under Introduction of Bills Bill 25 and Bill 26 were introduced in the Legislature for first reading. The bills as introduced were tabled as being sponsored by the Minister of Learning. In fact, Bill 25 was supposed to have been tabled as having been sponsored by the hon. Member for Drayton Valley-Calmar and Bill 26, the hon. Member for Edmonton-Meadowlark.

I understand that the Minister of Learning has contacted members of the opposition and achieved agreement that we could ask for unanimous consent to have the sponsorship of the bills corrected for the record of the House. So I'd ask that you ask the House for unanimous consent to do so.

The Speaker: I started attending this Assembly in 1974, and never have I ever heard of such a request coming forward. But under unanimous consent the Assembly can do just about anything.

I would take it, then, that there is also a requirement that the bills be reprinted with the new names, as well. Who would bear the cost for that, hon. Government House Leader?

Mr. Hancock: Yes, Mr. Speaker, they're small bills, and the cost is not excessive.

The Speaker: So in addition to changing the names to these two hon. members, there's a request that the bills be reprinted and not be reintroduced?

Mr. Hancock: Yes, Mr. Speaker.

The Speaker: Well, there is, then, a request that two bills, namely Bill 25 and Bill 26, be reprinted, Bill 25 with the name of the hon. Member for Drayton Valley-Calmar placed on it and Bill 26 with the name of the hon. Member for Edmonton-Meadowlark placed on it. Unanimous consent is being requested.

[Unanimous consent granted]

The Speaker: The bill in question, Bill 26, would also be moved onto the government Order Paper; is this correct? It being now

under the name of the hon. Member for Edmonton-Meadowlark, the request would be that Bill 26 be moved onto the government Order Paper?

Mr. Hancock: Yes, Mr. Speaker. I was anticipating asking exactly that, that it then be moved onto the Order Paper under Government Bills and Orders.

[Motion carried]

head: **2:50 Tabling Returns and Reports**

The Speaker: The hon. Member for Drayton Valley-Calmar.

Rev. Abbott: Thank you, Mr. Speaker. I'd just like to table the requisite number of copies of a resolution passed this morning by the Association of Municipal Districts and Counties asking to enhance and increase the duties of special constables.

The Speaker: The hon. Minister of Human Resources and Employment.

Mr. Dunford: Yes. Thank you, Mr. Speaker. I'd like to table my answer to Written Question 8, as asked by the Member for Edmonton-Gold Bar.

The Speaker: The hon. Minister of Innovation and Science.

Mr. Doerksen: Thank you, Mr. Speaker. It is my pleasure to table a statement regarding Youth Science Month in Canada and with it my congratulations to approximately 500,000 students in Alberta and across Canada who are participating in local and regional science and technology fairs this month. I had the opportunity to participate in the central Alberta regional fair as a judge this past weekend, and I was impressed by their depth of knowledge and their commitment to their projects. I ask all members to join me in congratulating these bright young minds.

The Speaker: The hon. Member for Edmonton-Gold Bar.

Mr. MacDonald: Thank you very much, Mr. Speaker. I have three tablings today. The first one is a letter that I received on March 23, 2004, from the office of the Information and Privacy Commissioner in regard to Bill 22, the Election Statutes Amendment Act, 2004.

The second tabling I have is a series of documents indicating that the price of steel in this country is going down, not up as previously reported on two occasions in this Assembly.

The third document I have is one from February 27, 2004. It's from Alberta Energy, electricity division. The original is signed by the executive director, Kellan Fluckiger, and it is in regard to a question I asked earlier in the Assembly about open competition by 2010 for electricity suppliers and customers.

Thank you.

The Speaker: The hon. Member for Edmonton-Strathcona.

Dr. Pannu: Thank you, Mr. Speaker. It's my pleasure to table two documents today. The first is a news release issued by the Edmonton public school board on March 30, 2004 – that is, yesterday – expressing the board's disappointment and frustration at receiving no new funding for infrastructure.

The second document is the capital plan highlights issued by the

Edmonton public school board for a three-year period beginning in 2003-2004. This document outlines the urgent need for the construction of new schools and the modernization of existing facilities.

Thank you, Mr. Speaker.

head: **Tablings to the Clerk**

The Clerk: I wish to advise the House that the following documents were deposited with the office of the Clerk on behalf of the hon. Mr. Mar, Minister of Health and Wellness: Alberta Cancer Board annual report 2002-2003; Alberta Cancer Board financial statements 2002-2003; and pursuant to the Health Facilities Review Committee Act, the Alberta Health Facilities Review Committee annual report 2002-2003.

head: **Orders of the Day**

head: **Committee of Supply**

[Mr. Tannas in the chair]

The Chair: I'd like to call the Committee of Supply to order.

head: **Main Estimates 2004-05**

Government Services

The Chair: Are there any comments or questions to be offered with respect to this?

Mr. Coutts: Well, before we ask for the question, I'd like to make a few comments, Mr. Chairman. I wish you all a great afternoon and thank you for the opportunity to speak to Government Services estimates for 2004-2005.

With me today and seated in the members' gallery – and I'm going to ask them to wave as I introduce them – are the people that I had the pleasure and the honour of working with to put these estimates together as well as our business plan. They work diligently on behalf of Albertans and the government of the province of Alberta and work very, very hard to provide the services that we do within the department.

They are Fay Orr, deputy minister of the department; Roger Jackson, former deputy minister and Alberta's first Utilities Consumer Advocate. We have with us also Dave Rehill, deputy minister and CEO of Alberta Corporate Service Centre, and with Mr. Rehill today we have Les Speakman, the executive director of the Alberta Corporate Service Centre. Laurie Beveridge is our assistant deputy minister of consumer services and land titles. As well, we have Wilma Haas, who's the managing director of Service Alberta and Alberta Registries. Sue Bohachuk is sitting right beside her, and Sue is our senior financial officer. Then we have a newcomer to our department, my communications director, Ryan Cromb, who has just joined us. We welcome them all here today.

Today, Mr. Chairman, I'd like to provide a brief overview of our business and our financial plan, which is based on our continued commitment to service excellence and support of our two major core businesses. First, we provide Albertans with a full range of licensing, registry, and consumer protection services. Our second mandate is to lead service improvement initiatives on behalf of the government of Alberta.

In support of these two core businesses we have prioritized our programs and services to focus our resources on six major goals. Our first goal and highest priority is "efficient licensing and

registration services." We measure our success by ensuring that clients are satisfied with the accessibility, accuracy, and security of our services. We also strive to keep our fees affordable and are confident that all our services remain competitively priced compared to other jurisdictions.

Ongoing growth in the Alberta economy means that our registry system now supports over 35 million transactions per year. For land title registrations, in particular, there has been a 25 per cent increase over the past three years in the number of transactions. In spite of the extra efforts of staff and significant overtime, the growing demand for services in this area resulted in fairly lengthy turnaround times this last summer. Extra funding has been included in our budget to hire 16 land titles examiners and fund the interim overtime costs until the new staff can be fully trained. It also addresses increases in our postage, printing, and imaging costs that result from these higher transaction volumes.

3:00

We anticipate that further improvements in our service delivery for land titles and our other registries will occur as we progress with our registries renewal initiative. Our registry system infrastructure will also play an important role in Alberta's automobile insurance reform. Enhanced security and identity protection remains a top priority, and we have several initiatives planned, such as rolling out within the next several months the use of facial recognition on our driver's licence to prevent and detect fraud. In total our registry and licensing services account for \$63.3 million worth of our resources but generate revenue in excess of \$325 million.

Our second goal is "informed consumers and businesses, and a high standard of marketplace conduct." A major initiative related to this goal is the Residential Tenancies Act. This legislation provided a framework for nearly 1 million Albertans who rent their accommodation. We have amended it to ensure that it remains relevant to today's environment and continue to consult with the Alberta residential tenancies advisory committee on related regulations. We are also looking at establishing a voluntary alternative dispute resolution process to resolve tenancy issues.

One of the cornerstones of our consumer legislation is the Fair Trading Act. We plan to introduce updates in the fall of 2004 to ensure that it keeps pace with changes in Alberta's marketplace. On other fronts we will continue with our award-winning national and international consumer protection initiatives and will focus on the most serious marketplace violations.

Another key protection initiative is preventing vehicle theft, and through our co-ordination of the Alberta vehicle theft working committee we've developed comprehensive recommendations for dealing with this issue. We allocate about \$9.3 million of our resources to protecting and educating consumers, and we measure our success based on client satisfaction.

Under goal 3 consumer protection is further enhanced through the establishment of Alberta's first Utilities Consumer Advocate. This new program will protect the interests of Alberta's 1 million residential, farm, and small commercial consumers in the province in our restructured retail utilities marketplace. The advocate will undertake a number of activities, such as, firstly, acting as a central point of contact to provide Albertans with information and assistance; secondly, ensuring utility companies address consumer questions and concerns in a timely and fair manner; thirdly and probably as important as anything is representing Albertans' interests at the Energy and Utilities Board hearings and other regulatory proceedings.

The advocate will also provide advice on industry and government

policies and practices as appropriate. This program is fully funded by electricity and natural gas consumers through the electricity Balancing Pool and natural gas distributors respectively at an estimated cost of \$4.4 million per year. If any of these funds are not required for this program, they will be returned.

Our fourth goal relates to the Service Alberta initiative, where we are striving to increase Albertans' awareness and satisfaction with access to all government of Alberta services through the Internet, through telephone, mail, fax, and over-the-counter service. Progress is continuing on an incremental basis and is dependent upon other ministries' contributions.

As of early February only 53 per cent of Albertans were aware of the toll-free number and the web site, so a key focus will be promoting awareness of Service Alberta and how it can help them. We will also continue to enhance the web site, promote integration of the Alberta government contact centres, and monitor satisfaction with over-the-counter services. The Service Alberta initiative amounts to approximately \$1 million worth of our resources.

Our fifth goal is to provide "effective management of, and access to information, and protection of privacy." A key initiative will be to support the implementation and harmonization of new privacy legislation for the private sector. While Alberta's act is already harmonized with B.C.'s legislation, we are now working towards greater alignment and co-operation with other provinces and territories.

Another key responsibility is to promote effective ways of managing the government's information and records. This program not only provides advice on standards and best practices but also offers training and encourages co-ordination between ministries and the Alberta Corporate Service Centre and the Provincial Archives. Nearly \$2.7 million of our resources are allocated to these services.

Another major program under goal 6 of our ministry is the Alberta Corporate Service Centre. It reflects this government's commitment to promoting efficiencies and continuous improvements. ACSC has spent the last three years consolidating operations, aligning activities and resources, and defining service delivery costs to prepare for major directional changes. Recently a new governance structure was implemented to strengthen ACSC's accountability and to support new directions in service delivery. Next steps include optimizing service delivery through pursuing best practices that position us to further streamline processes.

As well, we are developing a revised approach to costing and pricing services that reflects innovative practices used in other world-class shared-service organizations. Client satisfaction with this revised pricing and cost model will be a primary indicator for measuring ACSC's overall success this year. The centre operates mainly on a dedicated-revenue basis with \$142 million of the overall \$154 million budget recovered through service agreements with other ministries and agencies. The remaining expenditures are for central services such as supply management, telecommunications, and records management.

In closing, our ministry has a major impact on the lives of Albertans, and we take pride in delivering high-quality services in the most effective way possible.

Mr. Chairman, I want to thank you very much for this opportunity to present our priorities, and I look forward to addressing any questions that any of the members opposite may have. If we should happen to miss any, we will go through *Hansard* and make sure that answers are received to those inquiries in writing.

Thank you.

The Chair: The hon. Member for Edmonton-Gold Bar.

Mr. MacDonald: Thank you very much, Mr. Chairman. It's a pleasure to participate in the debate on the estimates of Government Services this afternoon. Certainly, one looks at that budget, and you could sum it up like one of those old Clint Eastwood movies, *The Good, the Bad, and the Ugly*. Certainly, there is work to be done in this department, but there are some good things being accomplished there. That's for certain.

One of those that I would like to note at this time is the work that the department has done in the recent past, going back to last summer, on some of these shady renovators that are going around the province. The department has put out some very informative information that consumers, householders can use to protect their money and, in some cases, their property from unsavoury and unqualified tradespeople acting as qualified home renovators. We know – one only has to look at the ads that are on television from various Canadian and multinational hardware chains – that this is a huge market.

3:10

I think and the constituents of Edmonton-Gold Bar also think that the Ministry of Government Services has done some very good things. I would like to see more information made available to consumers by the department in regard to this matter. Consumers appreciate it, and they appreciate the hard work of the department on this issue. But that information should be available to all consumers, and it should be made available also to the home renovation industry. I don't know if they have a trade association or not, but maybe they should. I don't want to be accused by members from the opposite side of encouraging them to overregulate, but I don't think there's much of a chance of that happening.

Mr. Chairman, I wonder what the plans are to make the web site of the department more consumer friendly. I'm wondering if at some time the minister has the view that consumers would look to his department not only for leadership but for information, information that would be readily available at their fingertips. Consumers are sort of the Rodney Dangerfield of Albertans; they don't get any respect.

One only has to look at our government web site and look at the previous – and this was when the Conservatives were in power in Ontario. I don't think they were defeated because of lack of attention to consumer-related issues. Maybe they were. But, certainly, you look at the government web sites from various respective departments in Ontario, and you will see where there is an emphasis put on consumer information and consumer protection. I would like to see the same sort of right-wing zeal focused on increasing consumer information and protection in this province. Maybe this is the ministry and the Minister of Government Services that could do it.

It would be a one-stop shop for consumers looking for information on insurance. Unfortunately, it looks from today that by 2010 we're going to have choice in electricity and I can only assume in natural gas as well whether we like it or not; what's good for the government is going to be good for the consumers in this case.

This document that we talked about in question period – certainly it looks like there's an anticipation of trouble, Mr. Chairman, by the government. We've seen this consumer czar, this Utilities Consumer Advocate. Well, the budget is going from \$2.6 million when it started to – I believe we're up to \$4 million and a bit. Yes, \$4.3 million for this year. Then even after we get all the furniture and everything paid for in the office and the moving in and location expenses, it's going to go up in two years to \$4.8 million.

So I can only assume that the hon. Minister of Government

Services already knows something that the Minister of Energy does not or is unwilling to recognize, and that's the fact that there's going to be more trouble, lots more trouble with energy deregulation for natural gas and electricity. I can only assume that by looking at the increases in the budget.

From the time this office started till it's two years old, it's going to need an additional \$2 million. What's that \$2 million going to be used for? How many full-time employees are going to be in that department? How is the office being set up? Everything from furniture to electronic equipment: who's paying for that? Where's it coming from, and what's it going to cost?

Now, while we're on the subject of the utilities czar, it is amazing that this office would come into existence through a ministerial order that was one of the hardest pieces of detective work this hon. member ever attempted in his time in this Assembly, Mr. Chairman. I was asked even by reporters for this ministerial order, and I had to admit at first that I hadn't even heard of it. Then I heard that at a standing policy committee this issue was discussed, and I was lucky to get that information because I wasn't invited to that standing policy committee. I, unfortunately, wasn't invited, but hopefully in the future a guy may be invited. But I did get wind of this, and I did research through the EUB, and I was in my view lucky to have discovered the rules surrounding this Utilities Consumer Advocate.

No one is saying that the Utilities Consumer Advocate shouldn't exist. In fact, if you look at various government departments and you look at political parties in this province – the Progressive Conservative Party had a notion at one of their policy conventions that we have a Utilities Consumer Advocate. Certainly, we brought the issue up as Official Opposition. The Navigant report talked about this.

Various other studies done on electricity talked about having consumer education. Not propaganda but education. If you're going to force them to make this choice, well, make sure that consumers have the information.

Now, I don't know where the hon. minister in his opening remarks if I heard him correctly – there's a lot of buzz in here, and I may not have heard him correctly. According to public documents that are available from the EUB, and I'm quoting here, Mr. Chairman: the office of the Utilities Consumer Advocate will promote understanding of the restructured electricity and gas markets and ensure that Albertans' concerns are heard and effectively addressed; the advocate's office will listen to and analyze consumers' concerns in order to provide advice and guidance to stakeholders, including government, the Energy and Utilities Board and other regulatory agencies, and utility companies of utility consumer protection policies and practices.

I don't see "enforce" in here. I don't know how consumers are going to be protected. How are they going to be protected if we're just going to promote understanding and we're going to listen to and analyze consumers' concerns? We're going to listen and analyze and promote. It feels good; it sounds good. But, I mean, where are the teeth? Certainly, hon. members on this side of the Assembly would like an answer to that.

I hope the Government Services minister and the department are not burdened or saddled with an outfit that is going to turn out to be quite ineffective. They're not ineffective at getting the budget and this whole idea of having money being paid. Now, where's this ministerial order? Right here. ATCO Gas north and ATCO Gas south and AltaGas Utilities have to come up with half a million dollars to pay the costs of the office of the Utilities Consumer Advocate, and next year I suppose they're going to have to come up with a bit more to pay for the increase in the utilities office.

3:20

Mr. Chairman, that gets me to my next question in regard to this. What does the department anticipate the problems will be? Will they be all on the electricity side, or will they all be on the natural gas side? When we understand that 20 per cent of the budget is coming from the gas side and 80 per cent is coming from the Balancing Pool, the electricity side, it is unusual. I would assume, I think quite correctly, that the minister knows that 20 per cent of the problems are with natural gas; 80 per cent are with electricity. With the expansion of the budget is that going to continue, or will there be more electricity concerns and less natural gas concerns?

Now, in the performance measures here, item 3, we're talking about "effective advocacy of Albertans' interests in the restructured utilities market." This has got to be one of the toughest jobs that one could give an hon. minister. This hon. minister has been doing his very best in this department with the privatization of the registries and with our licensing issues. There's no doubt that he's been working hard. But, Mr. Chairman, I can't understand why they would saddle this department with this and why it wouldn't be tied directly to the Minister of Energy. You know, that department seems to be stubbornly resisting all attempts and all campaigns to unplug electricity deregulation and look at energy deregulation and how it has affected the consumers of this province.

We're looking here at goal 3, and this is a performance measure. It's new. "Percentage of customers 'satisfied overall' with services." Well, we're looking at a target of 60 per cent, and in two years if we spend additional money, it's going to go up to 80 per cent. So I hope that we're not being told that money is going to buy happiness here. I don't think that's going to happen.

Now, again, this is another performance measure, a new one: "Percentage of Albertans aware of the role/services provided by the Utilities Consumer Advocate." Fifty per cent, half of us, are going to be aware of this. I see a lot of information in my bill these days, and I wonder what could be provided in that bill to help the minister achieve his target of 90 per cent of citizens being aware of the role or service provided by the Utilities Consumer Advocate.

Is there another flyer going to go out? I don't know what we could put on that. I wouldn't want the department to come up with a marketing ad with sort of a watchdog there with a blindfold on or a big dog with his paws over his ears lying down pretending not to hear, not to pay attention. I wouldn't want that to be the logo of the department.

Now, the third performance measure here, Mr. Chairman: "Percentage of interveners expressing satisfaction with the cooperative protocol utilized by the Utilities Consumer Advocate." Co-operative protocol. This gets back to my earlier questions as to how all this will work. In the interests of the consumers we're going to have this co-operative protocol.

This is like voluntary compliance. Certainly, under the determined leadership of the Minister of Human Resources and Employment we've forgotten about voluntary compliance as far as workplace safety goes. We recognize that it doesn't work. The minister has taken a suggestion from this side of the House and has decided to vigorously enforce the law and take allegations through the court systems if necessary. I would commend him for that, and I would commend him for admitting that voluntary compliance doesn't work. That's the co-operative protocol. It's just another fancy way of saying "voluntary compliance."

I can't see how we're going to go with this from a satisfaction rate of 60 per cent this year to 80 per cent. I don't understand how this is going to work. I have a lot of confidence in the minister and a lot of confidence in the staff, but on this issue I have grave reservations.

I don't think this is what the Navigant report had in mind when they suggested a Utilities Consumer Advocate or the form of a Utilities Consumer Advocate. I know the Conservative Party didn't. The Progressive Conservative Party, I should say. There are a lot of Conservative parties around these days, so I'd better make that correction.

Mr. Chairman, I would also like to ask the minister while we're talking about consumers – I think the Ministry of Government Services would be an ideal location for a whistle-blowers' office. Maybe we could connect it to the Ombudsman. Now, I may be stepping out of line here and assuming that this government is going to pass whistle-blower legislation and have good, strong whistle-blower legislation so that we can protect the taxpayers from any and all forms of abuse as may occur.

Now, on this web site that the ministry could develop for consumers, if consumers saw something that they didn't feel was right with their government, if they saw something at a registry office, for instance, well, the web site could inform them of how they could contact the Ombudsman and have an impartial office check out the indiscretions or the allegations and see what's going on. Perhaps I'm getting ahead of myself, but certainly we would on this side of the House like to see that implemented by this department.

When we look at this department, the issue of identity theft comes up time and time again. Over the weekend I was reading . . . [Mr. MacDonald's speaking time expired] Oh, I'll have to cede the floor to another colleague, Mr. Chairman.

Thank you.

The Chair: The hon. minister.

Mr. Coutts: Thank you, Mr. Chairman. If the House would allow me to just respond to a few of the questions that have been brought forward by the hon. member opposite, just to kind of pick up where he left off in terms of what's in the future for consumer protection and how we get the information out to people. He kind of started off that way and ended up that way. We in the department have the same vision. We see a one-stop shop for information for Albertans to access, and it's called Service Alberta. We've expanded on that program over the last three years to the point now that Albertans are starting to use it. However, we could see some more use of that with a little bit more awareness out there.

Our Service Alberta goal is to make it easier and more accessible for Albertans to not only see government of Alberta programs but also to just get plain, good, solid information about what their rights are, information about where to go to get specifics on definite programs, et cetera.

3:30

Our Service Alberta web site is being expanded almost weekly to include whatever provisions Albertans would like to see on it and whatever we can accommodate. That web site is accessible at servicealberta@www.gov.ab.ca, and we encourage Albertans to go in there and provide us also with some feedback as to how we can improve it to make sure that their service needs are wanted and needed, and if it makes sense, we include it.

As a matter of fact, we have taken Service Alberta over the last six months – we had a number of access points in it, and we found out that we didn't need them all. We can consolidate, and we can bundle, and we can get information to people faster by doing that and provide them with just as much information, as a matter of fact more information. We see that as a work in progress, and we will continue to do that.

The hon. member is absolutely correct – and I appreciate his comments – in terms of some of the tradespeople that are out there doing some shoddy work and ripping people off. These are unscrupulous people. We recognize that in the department of consumer protection, and we work very, very closely – it is unfortunate, Mr. Chairman, that seniors seem to be the most vulnerable here, with the many tipsheets we put out or mail out. We look to the Department of Seniors to help us get some of that information out to seniors, and we're thankful for their participation. It's a cross-ministry initiative that we think is working pretty well, but there are always some that get through the cracks in trying to provide people with the information so that they're not taken advantage of.

The first thing that people need to know is that the first thing they should be asking for is a licence from these fellows that come to their door and make promises. The other thing that they should look for is a contract to make sure that those promises are kept for any building that they want to do or any fixing up of someone's home. Also, in those contracts people should be looking for things like cancellation provisions in case the contractor does not do the job that they say they were going to do so that a person can get out of a contract.

But, more importantly, I think the biggest thing today is that we don't like to see seniors cheated out of any of their money, and down payments are one of those things that an unscrupulous entrepreneur would demand without doing any work and before actually taking on and doing the job. Nobody should give out any cash before any work is done.

Those are some of the things that we put in the tipsheets.

The hon. member asked about the opportunity for using the Internet for those tipsheets. All of that information is on the Internet, and we encourage people to access that information to help them so that they can save their money and be secure in whatever endeavours they want to do to get people to fix up their homes and make it a little bit easier for them to have a nice lifestyle.

The next area that the hon. member brought forward was the consumer advocate, focusing again mostly on consumers and protecting people. The member through some of his questions asked why it was set up and why Government Services is taking on the role. Well, we see the Department of Energy responsible for the restructuring of electricity, and we see ourselves on the consumer protection side responsible for the advocate's role.

It was deemed appropriate that our ministry would be the place where the advocate would be housed given the fact that we have so many functions in terms of protecting Alberta consumers through our Fair Trading Act, which protects consumers on the marketing of electricity and that type of thing. It sets down those provisions and those best practices. It sets down cancellation rights. When marketers come to your door and want to sell you a product of electricity or natural gas, they have to present a contract and they have to identify themselves, some of those same principles that I talked about earlier in terms of house builders and that type of thing and renovators coming to sell their wares.

Those are just very, very basic things that people should be aware of, and we provide that kind of information to people through the Fair Trading Act regulations. That's a protection that we offer in the department, and now we continue to offer that same kind of protection with the advocate role, and it seems like it's a real good fit for our department.

How was it set up? Well, the consumer advocate's office was set up and was established as part of Government Services, as I said, in October of 2003 by order in council, and that order in council came through under the authority of section 4 of the Government Organi-

zation Act and section 18 of the Public Service Act. And, yes, it operates on dedicated revenue, and that dedicated revenue comes from consumers. It's put onto the rate base, and the funding is received through that rate base by electricity and natural gas providers through to us.

The hon. member mentioned something about the 80-20 split between electricity and natural gas. It was deemed at the beginning that most of the complaints seemed to be on the electricity side, and that would be about 80 per cent of the work. The other 20 per cent would be on the natural gas side, recognizing that there were some high natural gas prices. So we made the 80-20 split. Accordingly, the electricity Balancing Pool pays for 80 per cent of the office being set up, and the further 20 per cent comes from the three provincial natural gas distributors.

The hon. member asked about how many dollars in FTEs, et cetera, et cetera, made up the \$4.3 million that we're receiving for 12 months of operation. This year 31 per cent will go to manpower, and that will be 16 FTEs to look at all the programs and the communications and the strategies that are being put together by the advocate's office. The other 69 per cent will go to supplies and services, and we talked about offices and desks and computers and that type of thing. The advocate's office is now up and running with those kinds of dollars.

Now, the question came up as to why we need an extra 2 point some million dollars to operate this year. Well, the hon. member will recall that the office got set up in October of 2003, and it spills over until – well, actually today is the last day of that fiscal year, so it was about five and a half months. So the \$2.6 million that we got from the Balancing Pool to operate and get the operation set up was for that five and a half to six months. Now we are requesting in these estimates \$4.3 million for 12 months of operation. So that's very, very easy to explain.

I'd just like to go back and talk a little bit about what the advocate sees himself doing. The advocate is basically looking at providing information for the residents of Alberta, for small businesses and farms that were hit with high prices and providing that kind of information on the restructuring of electricity, letting the folks know what was deregulated and what is still regulated.

3:40

Also, the advocate takes a look at how they can best facilitate with the service providers discrepancies in bills or if their bills are in arrears and how they can get the customer service departments of those companies to work with the customer to solve some of those problems. They've been very successful in being a facilitator in that area. As a matter of fact, much of their time is taken in doing that.

As well, they work with Service Alberta in the call centre. We get calls in from both Service Alberta and the UCA office, and most of those concerns come through that office and through that Service Alberta in terms of concerns on the electricity side. Yeah, about 56 per cent of the concerns are electricity, and 36 per cent are gas related. Because he's called the consumer advocate, we get about 4 per cent of complaints coming into the advocate's office on issues not directly related to utilities, but they handle those and redirect those to the proper places.

Just to go back to the communications plan for consumer awareness and the advocate's office, we're putting together a number of strategies to be considered, rural and urban and residential and farm and commercial, and taking into account regional differences and dealing with all of those differences and making sure that people understand the restructuring and how it's presented. We've developed a web site, and it's been completed. That's ongoing

work. That's part of what the 16-member staff has been doing. As a matter of fact, the launch for that will be tomorrow, April 1, and we'll be sending out a news release, so everyone can look forward to that.

The advocate's office on an ongoing basis works with the media, and particularly they also go out and do some key messages with chambers of commerce, Rotary clubs, and that type of thing, letting the rest of Alberta know exactly what the utilities advocate is doing. So they have a number of speaking engagements as well.

Now, the third and final thing that the advocate is doing is taking part in regulatory proceedings and representing consumers mostly on two fronts, not only officially in front of the EUB on behalf of residents, farms, and small businesses but more importantly taking all the consumer groups that do make representation in front of the EUB and actually pulling them all together so that there's a unified voice to see if we can get sort of a better bang for the dollar that is charged back to the rate base for advocacy on behalf of consumers. That is a huge, huge responsibility, and it's a very expensive process. Lawyers are involved, the legal businesses, and technically it takes a lot of work and a lot of equipment.

I just got a note here from my advocate who's saying: we didn't use any of those dollars for furniture. So let me put that on the record. We didn't use any of those dollars for furniture. Thank you to my deputy for that. We've got to set the record straight here.

You know, when you take a look at a couple of million dollars for legal services to make those representations, we feel that it's dollars well spent on behalf of Albertans.

[Mr. Klapstein in the chair]

So that's a breakdown, basically, of some of the things that the hon. member had brought forward, particularly on the consumer advocate.

That's all I have to respond to his questions at this particular time. I look forward to more, Mr. Chairman.

The Acting Chair: The hon. Member for Edmonton-Glenarry.

Mr. Bonner: Thank you very much, Mr. Chairman. I thank the minister very much for being so open and candid with his answers and, as well, his staff who are here to assist today and to listen to our questions.

Certainly, the Ministry of Government Services is one of those ministries that touches the lives of every Albertan in one way or another and on a very direct basis. It is one of those ministries that is constantly changing with the times and must change with the times as we continue to move forward with technology and as we continue to move forward as a more corporate society.

When I'm dealing in my critic area of Transportation in particular, I get questions from people involved in driver education and the examination of new drivers, and they certainly have many concerns when it comes to the information that is required. They also have many concerns when we look at the changes that have occurred in the issuing of drivers' licences.

Now, in the province we went to graduated drivers' licences, and one of the areas that they were most concerned with here is the fact that there was a deadline where people had an opportunity to obtain their driver's licence before they had to go in and get into the graduated licence program. The question they were asking me was at that time when there was a deadline. There were apparently some examination agencies out there that were taking a great number of these people trying to get their drivers' licences under the deadline,

and as a result some of these agencies or examination centres were charging an increased rate. So they took advantage of those people trying to get in under the wire.

Would the minister's department have first of all any documentation, any data which would show if there in fact was an increase in the number of people that got licences just prior to the graduated drivers' licences program coming in? Would the ministry also have any data as to what fees were charged for those licences; for example, in the last few weeks before the deadline?

As well, in the area of vehicles my constituency office is also getting requests wanting to know about altered vehicles. These are vehicles that are registered as normal vehicles, but they've been altered, whether they've been raised, whether they have large tires, even those vehicles that have been equipped with nitrous oxide in order to accelerate to great speeds very rapidly and for short durations of time. So their concern was that if people alter their vehicle and their insurance is no longer valid, then what sort of protection does the average motorist on the street have when they are involved in accidents with these types of vehicles? If the minister could please provide any information. Are there any additional or increased registration costs for these vehicles that have been altered, whether that is with the large tires, whether it is being equipped with nitrous oxide or whatever?

3:50

As well, I was listening quite intently to the questions that were posed by the Member for Edmonton-Gold Bar on this whole issue of whistle-blower protection. I think that it is certainly an area where many people would get involved if in fact they were not subject to having to give their names and their personal information.

Speaking of personal information, as we continue to have databases established with a great deal of personal information, we know that the Federal Trade Commission says that 10 million people were stung by identity thieves in the last year at a cost of \$48 billion. Certainly, with the data banks that the ministry has, what type of systems are in place to maintain the confidentiality of information that they have in their systems? What sort of assistance do they give the victims of identity theft?

Particularly when we look at the amount of information that is available – and experts say that it has never been so simple to become someone else – databases have become too numerous and too vulnerable. It seems to me that this is a never-ending process whereby for every safeguard that the ministry can put in, somebody will be trying to leap ahead. It seems like we're into a situation where we're playing tag but we're always it, because for every step that the ministry would take . . . [interjection] Yes. The hon. Member for Edmonton-Gold Bar says that it's a little bit like being in opposition.

I do have a few other questions, and these are in regard to the Auditor General's report. One of the concerns and recommendations of the Auditor General was that "the Department of Government Services make provision for appropriate recovery facilities and equipment to resume business operations if a service disruption occurs." I think it became extremely evident again to all of us after 9-11 just how our information systems can be disrupted, whether it be by that type of tragic event or for whatever other reasons that registry systems break down.

I think that one of the concerns, as well, that the Auditor General has is that the ministry had "contracted out the operation and maintenance of these systems to a private sector service provider." If the minister could please indicate how the department has addressed this recommendation by the Auditor General and what

steps they have taken particularly when the service has been contracted out to the private sector. What sort of controls does the ministry have in regard to dealing with those providers from the private sector?

Another recommendation, recommendation 19, that the Auditor General had was: "We recommend that the Department of Government Services complete and approve a project management plan for the Registry Renewal Initiative." The Auditor General goes on to say: "Registry renewal initiative to renew 20-year-old systems. Estimated cost: \$100 million." The findings were that the department "should improve the management controls" for the registry renewal initiative. They also found that the project management plan for the registry renewal initiative was "incomplete and not approved." Some of the areas that they were concerned with were certainly in the risk management plan that was not complete. So if the minister could please indicate as well how they are addressing recommendation 19 by the Auditor General.

As well, the Auditor General had recommendation 20. This particular performance measure gave them concern because it is a recommendation that was made earlier, in 2002, and this recommendation apparently was not addressed to the satisfaction of the Auditor General. So what the Auditor General recommended at this particular point was that "the Alberta Corporate Service Centre clearly define its performance measures and improve its processes to track and report results."

The criteria that they wanted the department to follow was, number one, that "performance measures and targets should be clearly defined and linked to the core businesses and goals of an organization." The second point under criteria was that "adequate control systems should exist to ensure that performance information is accurate and verifiable" and, thirdly, that "performance results should be reported in relation to the business plan."

Their findings were quite interesting in that the Auditor General goes on to say that "the Centre has not made satisfactory progress in improving its performance measurement systems." So if the minister could please indicate what they have done to address this recommendation that has not been followed on two separate occasions now.

As well, under this same recommendation they go on to say that the methodology for the cost savings measure was not clearly defined and used in the determination of results. The Centre prepared a discussion paper that set out the definition of cost savings, and how to measure them. However, this document was not finalized, approved or communicated to the staff responsible for collecting the information. Thus, performance results initially provided to us did not always meet the definition of "cost savings" as outlined in the discussion paper. In addition, supporting documentation was not available for all savings.

If the minister could please indicate how they have changed their reporting process in order to clearly define cost savings.

So with those questions, Mr. Chairman, I'll cede the floor to the minister and, hopefully, have another opportunity to get involved again. Thank you.

The Acting Chair: I would like to remind members that the first hour is for the opposition and the minister to have discussion or debate. So after the minister responds to the questions, any member will have the opportunity to ask questions.

Go ahead, hon. Minister of Government Services.

4:00

Mr. Coutts: Thank you very much, Mr. Chairman. The hon. member brought forward some concerns regarding the delivery and the education on the driver's licence and the graduated driver's

licence and driver examiners and things like that in his first questions.

One thing about Government Services is that we provide the service to the people of Alberta based on legislation that is in the Department of Transportation's purview. We provide that service under a memorandum of understanding between the two departments. In this particular case your questions would probably be better served by Transportation because they make the policies and they make the determination of all those types of dates, and they have the stats on the graduated licences and that type of thing. I only have the stats on the number of licences that have actually been given out. I will refer it to the Department of Transportation, and we'll work on that. We'll certainly try to provide that in writing to you.

That also goes for the altered vehicles that you were mentioning: different engines and different tires and different chassis and those kinds of things and the fuels that go into them, et cetera, et cetera. That is also under Transportation. So we'll refer that to Transportation, as well, and between us we'll certainly provide you with the information that you need.

In terms of identity theft and that type of thing and questions around our driver's licence, you know, we went to a centralized facility to make sure that we had the most secure system, the most tamper-proof card, et cetera, et cetera, so that identity theft could be controlled in Alberta. Our driver's licence program has been very successful in that regard.

However, we do have a number of people that have called our department with inquiries in terms of, you know: how come I have an interim driver's licence with no picture on it? They want to gain access to an airline or that type of thing and they don't have identification. We've had to field those kinds of concerns coming to Government Services and reassure people that once they do get their driver's licence, it will be the most secure document in North America. The inconvenience that they have for the five or six days that the card is being produced in a central location and being mailed back to them – we've reassured them that that's generally done in five business days, and most folks are pretty agreeable to that.

We had some problems with the central system with the power outage down in Toronto and Ottawa last fall, and there was a backlog. The contract that we have with the provider makes sure that we try to keep within that 14-day period that we originally discussed and wanted used as a target. Canadian Bank Note really did a good job in churning out the backlog and getting it done. We never were much beyond 14 days. We had one week there when we were 15, 16 days, and one or two people phoned us with an 18-day turnaround. But that's since all been fixed. It's very, very consistent. We have a five-day turnaround now. Albertans can be reassured that their driver's licence, which sometimes is used by other businesses as a source of identification, is a valid document.

[Mr. Tannas in the chair]

You talked about identity theft. Yes, identity theft is a real concern. We in the department don't get involved, again, on the service side. We're more with helping people go through a process of clearing, say, their debt or their credit information. If somebody else has assumed their identity and cleaned out their bank account, that type of thing, and ruined their credit rating, we help them with a national identity kit that takes them through a step-by-step program to let all banking institutions and retail shops and credit card companies know that their identity was assumed by someone else and someone else is responsible for those debts, et cetera. We take

them through that and provide them with the information.

Alberta has been a leader, as a matter of fact, in dealing with a national identity theft kit so that people can restore their credit rating but, more importantly, get their lives back together again. We've taken a lead in that, and it's difficult. I think that part of our awareness program is to let people know to safeguard their personal information, safeguard their credit cards, not leave bank statements around, that type of thing. It's one thing that all of us have to be aware of.

You talked about the database and the safeguards around the database. Part of our renewal for our registries makes sure that those safeguards are put in place so that people can't access and nobody can link into our database. Only those that are under contract or have authorization to do so can gain access to only certain things.

Our registry renewal initiative is progressing, and, yes, the Auditor General's concern about a plan has been addressed. Actually, we did have a plan in place for various components of this initiative. We put a business case forward, which we thought was the proper thing to do, and it related to plans that were set forward based on guidelines and sound principles and templates that were applicable at the time. However, after the Auditor General's recommendations came forward to us, we've taken that to heart, and we've complied with the Auditor General's wishes. We've expanded and integrated the components into one overall plan, which we think will have some benefits for Albertans.

The progress that we've made on that registry renewal initiative – basically, we've acquired the computer infrastructure including the data storage system that will provide that security that the hon. member was looking for. We have the system development tools and methodology. As well, we have the networks and associated support from the computer services that will provide the kind of certainty that the member is asking for. Of course, that's something that Albertans are asking for as well. They want to know that that security is there with our system. So that plan has been put into a comprehensive package, and we will continue to work on that with the Auditor General.

The next item that the hon. member brought forward was business interruptions and the controls that would be put into a disaster recovery plan. We've compiled and validated a total inventory of our systems through a recent business resumption planning exercise that we went through. We're currently comparing the cost of recovery services to the risk and the impact of those services that are not available in what we think is a reasonable time frame. We're working with Innovation and Science to improve on that as well as to determine the impact of that ICT initiative. So we're definitely continuing to work on that. It's a very, very important component of making sure that that disaster plan is appropriate and facilitates Albertans' information.

4:10

Pretty well your last question to me was about ACSC. This is an area that the Auditor General also had some comments on, that we have taken to heart. We worked very, very closely with the Auditor General's office as well as the deputy minister for ACSC.

Basically, in ACSC our whole function is to look at how we can re-engineer recruitment functions across government and make them more effective. We look at pricing models and tracking systems and transactions that we can consolidate and put together so that we can find some cost savings. We found that going back and trying to define what the benchmarks were in the various departments for administrative costs was an exercise that in itself was costly.

So we're still concentrating on savings in ACSC, but our targets

are focused more on changing our processes and making them more efficient and more cost-effective, and we think that in that we can generate the savings. As a matter of fact, as of this year we can pretty well track that we've made savings in the area of around \$25 million in ACSC. Yes, it's been slow to implement and it's been difficult, but we think that by focusing more on processes, we can come up with those savings that we need. So that's something that will continue to progress.

We've looked at ACSC in a number of ways trying to find how we can best make those savings. We've had some situations where we've outsourced some of the functions, and it's worked very, very well. Some components of the information technology services have done that, and they proved to be very, very beneficial in saving some of the dollars. We'll work on partnerships for the future in trying to make sure that we comply with those recommendations that have come to us through the Auditor General.

I think that pretty well covers all of the members. So I thank you very much for that.

The Chair: The hon. leader of the third party.

Dr. Pannu: Thank you, Mr. Chairman. It's a pleasure to rise and join debate on the estimates for the Department of Government Services. I want to start by commending the minister for his thoroughness. He seems to pay attention to detail as well as to the big picture. Also, I'm impressed by his detailed knowledge of programs, policies in his department. That's quite refreshing to hear. I think that not only should the minister be complimented on this but, clearly, his staff who help him stay up on this. I think this is something that we should acknowledge.

Having said that, I have a few questions. I want to start with one which is sort of a very simple question. At my constituency office I ran into a riddle that we couldn't solve even after calling your department, I suppose, and others. I have met with residents of some seniors' accommodations over the last several months, and they have had some complaints about the manner in which these places are being managed, the way some charges are being either introduced or increased without any consultation. So we tried to find out where to go. I've been under pressure to find some way in which they can take their complaints.

Mr. Coutts: Are these condominiums?

Dr. Pannu: These are not condominiums. These are publicly funded, I guess, at least partly publicly funded, lodges or accommodations for seniors. My constituency assistant was quite frustrated and sought my help. Unfortunately, I had to change my constituency assistant. There's a new person.

This program that the minister referred to as the tips program, would that be information that constituency offices should have, and would there be something in these pieces of information that would help? And do constituency offices on a regular basis receive this information? That's the other question that I have because I have a suspicion that my constituency assistant didn't have that information handy. So I just draw your attention to it, and I will certainly advise him to get in touch with, perhaps, your department to get some more direction on what to do with these complaints that we have been receiving on a regular basis for some time.

I want to turn, Mr. Chairman, to some questions to the minister on this new office that's just five months old now, the utilities advocate's office. The incumbent is present today, so I thought I should ask some of these questions.

Generally speaking, with respect to the terms of reference of this office, scope of responsibilities and powers is something that remains somewhat unpacked at this moment. I don't have a clear understanding exactly as to the responsibilities and the powers of the utilities advocate. For example, what kind of actions can the office recommend or take? Does it have some enforcement powers? If it decides to make some recommendations for action, where does that office refer, you know, those complaints or those recommendations for action? Good enough to listen and analyze complaints, but then some remedial action has to be taken. Does this office have powers to either enforce remedies or to recommend remedies, and if so, with respect to utilities where are those remedies to be sought and implemented?

The utilities advocate's office, Mr. Chairman, is an interesting office. It certainly is the result of deregulation of electricity, primarily, and the widespread dissatisfaction and unhappiness with it on the part of Albertans who consume electricity, although I do acknowledge that it's not just electricity. It's also natural gas, you know, as part of the utilities. But on those counts there have been complaints.

In a sense this response to the public dissatisfaction with deregulation has meant additional expense, of course, to consumers, because as I understand, this office will be funded through drawing money from the power Balancing Pool and from natural gas providers. Those costs are then transferred downwards to the consumers, I'm sure. They're not something that's not passed on. Not only are consumers paying more; they are paying some additional amount now to have the ability to go to an advocate and having to pay for it, albeit indirectly, through the passing down of the costs of this through the utilities which provide electricity or power.

4:20

The real problem, of course, that Albertans continue to insist that this government address is the question of high energy costs. It's just been brought to my attention today, as a matter of fact, Mr. Chairman – and the minister would be interested in making note of it – that as a response to these high power and heating bills, Albertans both in the cities and some smaller communities are continuing to express their displeasure and disapproval of the route that the government has taken by way of deregulation of these utilities.

There will be a town hall meeting, for example, in the village of Innisfree that will take place on April 13, next month, in two weeks' time. It's at 7:30 at the Innisfree Recreation Centre. I think this meeting is prompted, as a matter of fact, by a large number of petitions that the residents of Innisfree and the area have signed and have presented to their MLA. This meeting is in response, I guess, to that pressure from consumers in the Innisfree area who are not so much concerned about what the utilities advocate can do for them; they are concerned about whether or not the deregulation itself can be reversed. So they have demanded a meeting. This meeting will be on April 13.

Without intending or meaning any disrespect for the office or for the incumbent of this recently established office, I just want to suggest to you, Minister, that that office really is a band-aid to the real problem. The real problem is the one that people are organizing to express in places like Innisfree and other places by way of town hall meetings. They want some accounting for why it is that they have to deal with, they have to live with this so-called inevitable, irreversible decision that clearly is seen as wrong-headed and wrong and needing a reversal on the part of this government, but that's not happening.

Having said that, there's a new office. The money, I guess, for

this is about 4 point some million dollars, Minister, this year? For the five months, I guess, the allocation was \$2.3 million. I just wonder if this estimate is either too much or too little given the fact that the minister doesn't really have a clear road map yet based on past experience.

I also understand that the utilities advocate has established an advisory council with 10 members on it, and I hear that either the minister or the advocate had to hire a consultant to find these 10 members. I wonder what the costs are of these consulting services. Does the budget as presented here for that office provide for the remuneration that may have to be paid to these advisory council members, who may have a fair bit of work on their hands given the volume of complaints that this office has already received over the last three, four months since its opening in November? So would the minister be able to give us some estimate of the amount of money that's allocated for the work of this advisory council?

Is the advisory council a permanent feature of this office, or is it a transition kind of mechanism that will disappear next year once the office starts functioning? It's not clear from any of the information that I've been able to put my hands on on this matter, Mr. Minister and Mr. Chairman.

A couple of other questions. On the registry renewal services I'm just curious. Are these vehicle registries, or are there whole other classes of registries that are covered under this heading? I would like to know.

The expenditures certainly are up by close to a million-plus dollars. Would the minister have some explanation for that? We're talking about renewals. Is it because the registry rates have gone up? If so, by how much? By what percentage for each type of registry? Because I don't know whether we're talking about vehicle registries or some other kind of registries as well. So that's a question that springs to mind looking at program 5 in the budget documents.

Similarly for the minister, we have the land titles item also go up by close to a million dollars, which is about a 10 to 12 per cent increase over last year. Again, my questions are about: why this increase? How do we account for these cost increases? If the minister would provide some fairly focused information on that.

We also have registry services under program 3, and there is again some increase. Again, I'm not sure what these registry services entail. What kind of range of registries and services are we talking about here?

One other question and then I'll sit down so the minister has some time and other hon. members are able to ask questions. It has to do with the Residential Tenancies Act, that has been amended in this session earlier on, and the alternative dispute resolution mechanism that will kick in, I think, as soon as this new legislation comes into effect.

My questions are on: who is going to do this kind of mediation if mediation is required? Does the minister have in mind a number of mediators? I understand that these mediators might be travelling around the province, depending upon where the complaints are, where the disputes arise. Are these full-time positions, or are these going to be contracted out to mediators? Who is going to screen or hire them? That sort of thing. It's all new and raises questions about its implementation and the costs involved with respect to that. Which line item here in the budget will have the monies that may be needed for that purpose?

We have heard, I think, from the Edmonton Apartment Association. There is a reduction, I guess, in the budget for Alberta Registries. Is the budget being lowered? Does it have anything to do with the alternative dispute mechanism being introduced under the Residential Tenancies Act? We have heard from the Edmonton

Apartment Association that Service Alberta was getting many complaints of this nature when Calgary and Red Deer did their landlord and tenant boards. I'm not absolutely clear about it. You may have more information on it and may be able to shed some light on this.

With that, Mr. Chairman, I will take my seat and have the minister perhaps address some of the questions that I've raised. Thank you.

4:30

The Chair: The hon. minister.

Mr. Coutts: Thank you very much, Mr. Chairman. I'm going to start right off the top, and I want to thank you very much for the compliment to our staff. The leadership that we have in executive council in our department has many, many years of service and serving Albertans. They know what their job is, and they go out and they do it very, very well. They also give great direction to the folks within our department that provide all of these services, and we're very, very fortunate to have the kinds of people in our department with the experience.

As a matter of fact, just within the last two weeks we had some staff meetings and recognitions, and it's amazing the numbers of people that we have in our department with 25, 30, and 35 years of service not only in various departments of government but, more importantly, in service to Albertans.

Mr. Magnus: You're no spring chicken yourself.

Mr. Coutts: I'm no spring chicken myself, but I don't have that much service.

Just to let you know what kind of experience we have, we have a person in land titles in Calgary that has had 42 years of service in land titles, and that kind of experience you just can't duplicate and you can't buy anywhere. That individual is just a very dedicated person and does the best that she possibly can for Albertans. Then we have another person in Edmonton who has 40 years of experience in land titles and duplicating the same kind of service here in Edmonton that the southern Albertans are getting with that kind of experience.

So thank you very, very much for the compliment. I know that those members will be reading *Hansard*, and they will appreciate your comments very, very much.

You talked about riddles. We're not good at riddles, but in Government Services we're great at solving problems and trying to solve problems. We're responsible for the Residential Tenancies Act. We do not have responsibility for seniors' housing. That goes under the Department of Seniors. What I would suggest: I'll certainly refer your questions about seniors' tenancy in seniors' affordable housing to the Department of Seniors, and we'll make sure that you get that information.

I think it's very important that you brought forward a concern about constituency offices and constituency administrators being able to access these tipsheets, being able to access the information so that they can pass it along to Albertans, to people that come into their offices. The folks that come into their offices looking for help should be able to receive those tipsheets just as effectively, and if you have your constituency administrative person phone us, we'll make sure that they can get all the kinds of tipsheets that they want and that they need. We think that that's a good service and an effective service for a constituency office to be providing for their constituents.

You had a number of comments about the utility advocate and

certainly the powers of the advocate. I'd like to mention just one thing. During your questions you talked about the deregulation of electricity. We don't deal with the actual deregulation of electricity. That is with the Department of Energy. But we do deal with how the consumers are affected by billing errors, et cetera, and with advocacy on behalf of consumers, small businesses, and farms. In that light, the consumer advocate office has assisted over 800 people in the last five and a half months in that job of dealing with the utility companies.

In terms of powers the Utilities Consumer Advocate meets with utility companies. It makes sure that utility companies understand, and the utility companies have come to the table in a spirit of co-operation to try and solve the problems that come forward to the utility advocate. We feel that it's a very valuable service on behalf of consumers out there to have that portal or that one-window approach to deal with the utility companies. I've got to thank the utility companies for also coming to the table in the spirit of co-operation to successfully get some of those irritants out of their way on their customer service side.

One of the things the advocate has also done is they've joined up with Credit Counselling Services of Alberta to encourage the utility companies – and this is part of his role, again, working with the utility companies – to make arrangement for arrears that have appeared on utility bills and where people have difficulty paying that. So for people that find themselves in financial difficulty, there's an orderly payment of debt program that is put out by Credit Counselling Services of Alberta. The utility advocate has successfully got the utility companies and that program together to help Albertans pay down their debt. It's a great opportunity for people that are having difficulty.

The advocate has also been involved in various hearings before the Alberta Energy and Utilities Board, and that's done to ensure that the interests of consumers are best protected. That's an ongoing commitment, that's an ongoing responsibility of the advocate's job, and that takes a tremendous amount of dollars to do. It's an expensive process to go through with lawyers to make sure that you can have the proper case put forward on behalf of Albertans in terms of consumer protection.

The costs for this, again, come out of the rate base of the province, and it's through section 148 of the Electric Utilities Act that the \$4.3 million is made available through the Balancing Pool. Eighty per cent of that comes out of the Balancing Pool on electricity; 20 per cent comes from the three partners on the natural gas side. We picked the 80-20 split because that fairly represents what we think historically are the energy concerns from consumers. You know, if we find that that shifts, where consumers are having emphasis on gas problems rather than on electricity problems, then of course that ratio can be looked at. So that gives you the scope of what the utility advocate is supposed to be doing and is doing on behalf of consumers.

The advisory council that is being put in place for the Utilities Consumer Advocate. Yes, we soon identified that there needed to be a mechanism for ordinary, everyday Albertans – people that were on farms, people that had small businesses, and people that were just ordinary, main street Albertans, residents – to be part of the process, part of bringing consumer concerns forward to the advocate in addition to MLAs, in addition to utility companies as well.

So we embarked upon a process of how to set up the advisory council. It cost us an independent consultant, about \$60,000, to go out and get these folks. What I was looking for were ordinary, everyday Albertans: people with common sense, people that were looked upon in their community as the silent type, the quiet type but

who understood what their community needed and understood what people were experiencing in their communities, people that were not necessarily – and I'm going to say this – politically connected. These are ordinary folks. So the consultant went out there. We wanted a fair balance across the province right from the southeast to the northwest and from the southwest to the northeast.

4:40

We got 10 people that we interviewed through a process where he identified them and narrowed them down, and we interviewed them and put them on this advisory board. We see that council as being an important means of obtaining public input and promoting discussion on the various issues around consumers, what their views are and how they perceive utility companies, and to help the advocate get that common, ordinary input into his office.

It's interesting. We've got three farmers that are on the council: one from Grassy Lake, one from Boyle, and one from Brooks, Alberta. So there's good representation there from the farm community from across the province. From residents we've got somebody from Bluesky, Alberta. We've got one person from Calgary and one person from Claresholm. We've got big city and small towns involved in this, so we've got a nice balance here.

We talk about small businesses. We have an individual from Edmonton who has not only a small business but is also a full-time mom and runs her family home, so we get their kind of input. As well, the same thing from an individual in Fort McMurray who's a small businessperson. Then Grande Prairie and Red Deer are also represented.

So, you see, we have rural, we have small cities, and we have representation from big cities, and it covers from farms right up to residential and small businesses.

Their role is to meet every so often, about every other month, and provide the advocate with the information that he needs to help develop and get feedback from Main Street, Alberta. We think that that's a real good way, without any politics involved. They get paid their expenses only; they don't get paid an honorarium. So we think it's a very, very nice fit for the advocate's office.

You talked about registry renewal and what it involves. Well, the first part of that registry renewal was that our personal property registry and our land titles needed to be updated. That was the first year of a seven-year program. So personal property and land titles were the first ones that needed the most attention. We didn't see any increase in the fees this year, and we certainly don't see any increase next year in those two areas.

You asked: what do registries really encompass? Well, yes, it encompasses registration of your automobile as well as the driver's licence, and it also encompasses vital statistics and information that we have on marriages and births and deaths and all of that type of thing. Those systems have to be upgraded to stay in time with the trends of the day plus the additional pressures that we're having. The economy is growing so fast. People are buying more property. People are buying more cars. There are more people driving because they have to get to their place of work.

So what we're finding is that we need to have the system that will accommodate that growth but at the same time still protect people's personal information. That's going to happen over the seven years. Yes, it's difficult because there's new technology coming on stream all the time. To try and keep it within the original plan and not succumb to the new technology and the new things that are coming out, because they're a little bit more expensive each time you try to upgrade, and to stay with the original plan but still provide the kind of service that Albertans need and require is a real challenge for us.

You talked about land titles. This year because of the economy we did more transactions historically than we've ever done in the history of this province. We did over a million transactions in land titles. In other words, either mortgages had been renewed and needed identification of the validity of the property or actual exchanges of land. We did over a million transactions, and that's a 25 per cent increase over the last year.

Now, in order to get those transactions done in a timely manner, because Albertans have been used to about a three-day or a four-day turnaround, sometimes even a two-day turnaround – this summer we ended up with about an 18-day turnaround on one or two days, and the average was about a 14-day turnaround – we went to Treasury Board and worked very, very hard to get some extra money for overtime so that we could get those turnaround times down to an acceptable time period for the mortgage companies and for lawyers' offices, et cetera.

That overtime was put in by the excellent staff that we have in land titles. These folks worked their holiday time. They worked weekends. They worked evenings and afternoons when they were normally to be off. They took time away from their personal family time. They took time away from school programs and school concerts. They took time away from soccer practices when they could have been and should have been with their families. They traded time with other staff members to make sure that these transactions got done in a timely manner.

My hat goes off to those folks, the dedication that we have in our land titles to bring that time period down from 18 days to an acceptable seven or eight days. As a result of that overtime and a result of their dedication, we're now down to a three-day turnaround in Calgary and a two-day turnaround in Edmonton here. That's what the industry wants; that's what the industry expects.

So in order to keep that up, we're hiring another 16 people. They're being hired now, and they're being trained now. It takes about six months to train a person in land titles. They have to know the legislation. So the extra dollars that you were talking about, the extra million dollars, is going to go to those 16 FTEs so that we don't have that same kind of problem in the future.

Now, it's going to take me six months to train those folks, and that six-month period is going to extend into the summer. If we have a hot economy and things keep going the way they're going and land sales keep going the way they did last summer, we may creep up to another 10, 12 days this summer. I hope we don't, but our staff is committed to doing the overtime until the 16 members get on stream so that we can keep it down to a two-day or three-day turnaround.

In order to let the real estate industry know and the mortgage brokers know what the turnaround times are, on our web site we have the turnaround times for land titles. We hope that every day when these folks go to work, they take a look at that so that they can control their turnaround times. We're sure that with these 16 FTEs, in the future we can maintain that throughout the year.

The alternative dispute resolutions. We have created a director for residential tenancies and that role calls for the director to be someone that is from within the department, so we won't be hiring anyone new. The alternative dispute resolution that we have in mind is something that is voluntary. It's something that people can ask for, and the director would facilitate that. The whole idea is to make the process cheaper and faster for disputes that landlords and tenants might have and also something less intimidating than what the court would bring forward. So we see the alternative dispute mechanism as being a real benefit to Albertans.

Thank you.

4:50

The Chair: The hon. Member for Edmonton-Gold Bar.

Mr. MacDonald: Thank you very much, Mr. Chairman. Certainly, I would appreciate a lot more time to debate or discuss the budget for Government Services. I'm not convinced, to start with, that our new driver's licence is going to be adequate. We can look at changing the printing and the photograph, the gradual diminishing type containing the driver's name and birth date, the 2-D bar code at the back, the laser marking, and the microprinting. You know, the state-of-the-art security features are certainly a good idea, but we've got to make sure that there's security in the registry offices. Whether there is or whether there isn't, we could debate that at length, but I certainly hope that I don't wake up some morning to read in a paper that there was yet another security breach at one of our privatized registry offices.

Earlier the minister informed the House in regard to a question about the Utilities Consumer Advocate and the furniture. Well, if the department is not paying for it, who is paying for the office furniture and the fixtures, and what are the terms of the lease for the Utilities Consumer Advocate? If the minister could answer that, I would be grateful.

Now, when we're looking at this budget and we're looking at this department, there is an awful increase in the number of service contracts and the total dollars. Going back to 2001, there was \$39 million in service contracts. In 2003 there was \$135 million. That's a \$96 million increase. What is it in this budget, and why are we going to all these service contracts? Who are they with? Are they tendered, or are they deals that a guy just gets? What's going on that we need to have all these service contracts? Certainly, the Auditor General has stated that there are some indiscretions to speak of in this department.

One of the recommendations is discussed on page 143 of the annual report of the Auditor General of Alberta for 2002-2003. There's "unsatisfactory progress," and this is in regard to the Alberta Corporate Service Centre. I believe that this was something that was started – and I could stand corrected – by Dr. West earlier. This was one of the experiments from Dr. West, this Alberta Corporate Service Centre.

The Auditor General states here that "the Centre has not made satisfactory progress in improving its performance measurement systems," that cost savings were not defined.

The methodology for the cost savings measure was not clearly defined and used in the determination of results. The Centre prepared a discussion paper that set out the definition of cost savings, and how to measure them. However, this document was not finalized, approved or communicated to the staff responsible for collecting the information. Thus, performance results initially provided to us did not always meet the definition of "cost savings" as outlined in the discussion paper. In addition, supporting documentation was not available for all savings.

Mr. Dunn goes on to say here that

the Centre did not have a central review process to ensure that performance information included in the draft 2002-2003 ministry annual report was consistent with the performance measure methodology and adequately supported.

So there are some reservations here. I'm sure that I'm going to be told that some of these service contracts are for the Alberta Corporate Service Centre, but what gives here? Why are we increasing the number of service contracts in this department? How are they being let and to whom? Now, I think we've got to be very, very careful with this. Money doesn't grow on trees.

Also, in regard to the SuperNet, the supersized SuperNet, how much has Government Services paid for its building to be hooked up to the SuperNet? Again, how much is Government Services going to pay to the SuperNet service provider, Axia, to maintain that

connection? That may not sound like a lot of money in a \$238 million budget, but it's significant.

Can the minister also tell us what the cost is of changing to the new, more secure driver's licensing system that we talked about and give a guarantee here this afternoon to all hon. members of the House that Albertans are safe from identity theft, particularly with the use of temporary licences?

Can we also get an answer in regard to implementing and sustaining the new Personal Information Protection Act? What is the expected cost of implementing and sustaining that act?

Mr. Chairman, what caused equipment and inventory purchases for registries renewal to be about \$750,000 more than the 2003-04 forecast? Again, the operating expense for registries renewal, looking at this, is going to rise by more than a million dollars. Is this increase on target for completing the registry renewal initiative over eight years? The Auditor General again had some comments on this matter on page 140. The Auditor General found that the registry renewal initiative project management plan was not complete and not approved, and to date, as we speak, I'm not aware that it has been rectified.

To the minister: what caused legal services expenses to increase from \$82,000 to \$133,000 last year, and why is \$88,000 more needed in the communications budget?

The Chair: I regret that we have to interrupt the hon. Member for Edmonton-Gold Bar. Your time is up.

Pursuant to Standing Order 58(4), which provides for not less than two hours of consideration for a department's proposed estimates, and after considering the business plan and proposed estimates for the Department of Government Services for the fiscal year ending March 31, 2005, I must now put the question.

Agreed to:

Operating Expense and	
Equipment/Inventory Purchases	\$238,685,000

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 of Supply rise and report the estimates of the Department of Government Services and beg leave to sit again.

[Motion carried]

[The Deputy Speaker in the chair]

5:00

Ms Graham: 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, 2005, for the following department.

Government Services: operating expense and equipment/inventory purchases, \$238,685,000.

That is the report.

The Deputy Speaker: Does the Assembly concur in this report?

Hon. Members: Agreed.

The Deputy Speaker: Opposed? So ordered.

head:

**Private Bills
Third Reading**

Bill Pr. 1

St. Mary's College Amendment Act, 2004

The Deputy Speaker: The hon. Member for Olds-Didsbury-Three Hills.

Mr. Marz: Thank you, Mr. Speaker. On behalf of the hon. Member for Calgary-Shaw I'd like to move third reading of Bill Pr. 1, St. Mary's College Amendment Act, 2004.

[Motion carried; Bill Pr. 1 read a third time]

Bill Pr. 2

**Sisters of Charity of St. Louis of
Medicine Hat Statutes Repeal Act**

The Deputy Speaker: The hon. Member for Edmonton-Glengarry.

Mr. Bonner: Thank you, Mr. Speaker. I move third reading of Bill Pr. 2, Sisters of Charity of St. Louis of Medicine Hat Statutes Repeal Act.

[Motion carried; Bill Pr. 2 read a third time]

Bill Pr. 3

Living Faith Bible College Act

The Deputy Speaker: The hon. Member for Olds-Didsbury-Three Hills.

Mr. Marz: Thank you, Mr. Speaker. I move third reading of Bill Pr. 3, Living Faith Bible College Act.

[Motion carried; Bill Pr. 3 read a third time]

The Deputy Speaker: The hon. Government House Leader.

Mr. Hancock: Thank you, Mr. Speaker. I'd move that we adjourn until 8 p.m., at which time we'll reconvene in Committee of Supply.

[Motion carried; the Assembly adjourned at 5:05 p.m.]

