



Legislative Assembly of Alberta

The 28th Legislature
Second Session

Standing Committee
on
Alberta's Economic Future

Ministry of Jobs, Skills, Training and Labour
Consideration of Main Estimates

Monday, April 14, 2014
7 p.m.

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Standing Committee on Alberta's Economic Future

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Standing Committee on Alberta's Economic Future

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Ministry of Jobs, Skills, Training and Labour

Hon. Thomas Lukaszuk, Minister

Danielle Comeau, Executive Director, Labour Attraction and Retention

Dana Hogemann, Director, Finance and Administrative Services

Lana Loughheed, Deputy Minister

7 p.m.

Monday, April 14, 2014

[Mr. Amery in the chair]

**Ministry of Jobs, Skills, Training and Labour
Consideration of Main Estimates**

The Chair: Well, good evening, ladies and gentlemen. I would like to call this meeting to order and welcome everyone here. The committee has under consideration the estimates of the Ministry of Jobs, Skills, Training and Labour for the fiscal year ending March 31, 2015.

I would ask that we go around the table and introduce ourselves for the record. Mr. Minister, please introduce your staff when we get to you. I'm Moe Amery, MLA for Calgary-East and chair of this committee.

Mr. Fox: Good evening. I'm Rod Fox, deputy chair of this committee and MLA for Lacombe-Ponoka.

Mr. Rogers: George Rogers, MLA, Leduc-Beaumont.

Ms Pastoor: Bridget Pastoor, MLA, Lethbridge-East.

Ms Notley: Rachel Notley, MLA, Edmonton-Strathcona.

Mr. Luan: Jason Luan, MLA, Calgary-Hawkwood.

Mr. Hehr: Kent Hehr, MLA, Calgary-Buffalo.

Ms Hogemann: Dana Hogemann, director of finance and administrative services with Jobs, Skills, Training and Labour.

Mr. Lukaszuk: Thomas Lukaszuk.

Ms Loughheed: Lana Loughheed, deputy minister.

Ms Comeau: Danielle Comeau, acting assistant deputy minister.

Mr. Barnes: Drew Barnes, MLA, Cypress-Medicine Hat.

Mr. Bikman: Gary Bikman, Cardston-Taber-Warner, critic for Jobs, Skills, Training and Labour for the Wildrose Official Opposition.

Mr. Stier: Pat Stier, MLA, Livingstone-Macleod.

Mr. Rowe: Bruce Rowe, MLA, Olds-Didsbury-Three Hills.

Mrs. Sarich: Good evening, and welcome. Janice Sarich, MLA, Edmonton-Decore.

Mr. McDonald: Good evening. Everett McDonald, MLA, Grande Prairie-Smoky.

Ms Kubinec: Maureen Kubinec, MLA, Barrhead-Morinville-Westlock.

Mr. Quadri: Sohail Quadri, Edmonton-Mill Woods.

The Chair: Good. Mr. Dorward and Mr. Lemke, would you please introduce yourselves?

Mr. Dorward: Yeah. David Dorward, MLA for Edmonton-Gold Bar.

Mr. Lemke: Ken Lemke, MLA, Stony Plain.

The Chair: Great. Thank you all very much.

Ladies and gentlemen, please note that the microphones are operated by *Hansard*, and we'd ask that BlackBerrys, iPhones be turned off or set to silent or vibrate and not placed on the table as they may interfere with the audiofeed.

Hon. members, as you know, the Assembly approved amendments to the standing orders that impact consideration of the main estimates. Before we proceed with consideration of the main estimates for the Ministry of Jobs, Skills, Training and Labour, I would like to review briefly the standing orders governing the speaking rotation. As provided for in Standing Order 59.01(6), the rotation is as follows.

The minister may make opening comments not to exceed 10 minutes. For the hour that follows members of the Official Opposition, Wildrose, and the minister may speak. For the next 20 minutes the members of the third party, Alberta Liberals, if any, and the minister may speak. For the next 20 minutes the members of the fourth party, NDs, if any, and the minister may speak. For the next 20 minutes the members of any other party represented in the Assembly or any independent members and the minister may speak. For the next 20 minutes private members of the government caucus and the minister may speak. For the time remaining we will follow the same rotation to the extent possible; however, the speaking times are reduced to five minutes.

Members may speak more than once; however, speaking times are limited to 10 minutes at any one time. A minister and a member may combine their time for a total of 20 minutes. For the final rotation, with speaking times of five minutes, once again a minister and a member may combine their speaking time for a maximum total of 10 minutes. Members are asked to advise the chair at the beginning of their speech if they wish to combine their time with the minister's time.

If members have any questions regarding speaking times or the rotation, please feel free to send a note or speak directly with either the chair or committee clerk about the process.

Three hours have been scheduled to consider the estimates of the Ministry of Jobs, Skills, Training and Labour. With the concurrence of the committee I will call a five-minute break near the midpoint of the meeting.

Committee members, ministers, and other members who are not committee members may participate. Ministry officials may be present, and at the direction of the minister officials from the ministry may address the committee. Members' staff may be present and, space permitting, may sit at the table or behind their members along the committee room wall. Members have priority for seating at the table at all times.

If debate is exhausted prior to three hours, the ministry's estimates are deemed to have been considered for the time allotted in the schedule, and we will adjourn. Otherwise, we will adjourn at 10 p.m.

Points of order will be dealt with as they arise, and the clock will continue to run.

Any written material provided in response to questions raised during the main estimates should be tabled in the Assembly for the benefit of all members.

Vote on the estimates is deferred until consideration of all ministry estimates has concluded and will occur in Committee of Supply on April 16, 2014.

Now I would like to invite the Minister of Jobs, Skills, Training and Labour to begin with his opening remarks. Minister.

Mr. Lukaszuk: Well, thank you, Mr. Chairman, and thank you all for being here in the evening and going through the estimates. I'm looking forward to our conversation, to going back and forth, to

your questions, and definitely to your constructive input on this ministry moving forward. It's a privilege to be here to discuss the very first budget estimate for the Ministry of Jobs, Skills, Training and Labour. We are first and foremost a ministry of labour, as you well know from the responsibilities that have been placed within this particular portfolio. It is our job to help ensure that Alberta has people ready for the jobs that our economy is creating and that our workplaces are safe, fair, and the most productive in all of Canada.

Our ministry is now only four months old. That's not a lot of time, but I can tell you that our team has been extremely busy tackling the most important work in our mandate. On that note, even though you, Mr. Chair, have allowed us to introduce my executive team to you, I would like to again acknowledge my brand new deputy minister, Lana Lougheed; Danielle Comeau, who's an acting assistant deputy minister in the workforce strategies division; and director of finance Dana Hogemann. I would be remiss if I didn't acknowledge a lady who has been working very hard in this ministry for the last four months preparing many of the materials that are here before us, and that was my previous acting deputy minister and now the assistant deputy minister, Maryann Everett, who is also with us here today. Thank you to Maryann for the work that you have done.

I'm privileged to work, ladies and gentlemen, with an outstanding team of very dedicated public servants, and this is my public ability to thank you all for the work that you have been doing for the last number of months in this ministry. I look forward to answering all of your questions as they will be coming forward.

Let me give you a little bit of an overview of this ministry, Mr. Chairman. Each day in Alberta more than 2 million people go to work – more than 2 million people go to work – from teachers to technicians, welders to waitresses. They're on the front lines of what we refer to often in the Chamber as building Alberta. We want Albertans to be well equipped for the jobs of today and of tomorrow. This is critical as we are forecasting a labour shortage of nearly 100,000 people in the next decade. One hundred thousand people in the next 10 years. Let me tell you about the work of our department and the resources required to get this extremely difficult job done.

Our ministry's work ensures that Alberta's workplaces are safe, fair, and healthy and that Alberta is well positioned to manage growth, with a strong focus on our people, our most valuable resource, as all of us in this room would agree. With that in mind, Budget 2014-2015, the very first budget for our new department, shows increased operations funding of \$27.1 million, or a 19.4 per cent increase, to \$166.8 million. You may be aware that the original budget allocated to my ministry only included approved transfers of dollars and staff from the ministries of Human Services and Innovation and Advanced Education. This allows us to continue on with work from programs that were transferred, work that Albertans already were relying on.

But Jobs, Skills, Training and Labour is much more than the sum of its parts, much more than a new home base for already existing government work. Our work is about getting ahead of labour issues to anticipate need, developing a sustainable workforce, and making decisions on how to best allocate our resources. The increased funding will allow us to continue all of the important and ongoing work of the departments such as occupational health and safety, employment standards, and supports for both employers and workers in regard to immigration and working in Alberta.

7:10

But now as a stand-alone ministry of labour we will also provide focused leadership on Alberta's broad labour policy. My team is working on new programs aimed at, one, increasing employment rates; two, addressing Alberta's shortage and long-term labour shortages; and, three, creating a more robust labour market intelligence system to support Albertans in making good job and career choices.

Mr. Chairman, these are areas that affect Alberta employers and workers every single day, and our new work will help to address the underlying issue of people without jobs and jobs without people. This work is now getting under way, and I look forward to providing updates on our new initiatives in the weeks and months ahead.

As a new ministry with a new mandate there are costs attached to not only setting up a department but setting up our own department for success. I am sure you will have questions regarding the funding increases for both the office of the minister and the deputy minister. Let me touch on that for a moment.

First of all, you will note that the Budget 2014-15 amount reflects the full-year costs that are required to operate the offices while the 2013-14 forecast only included four months of expenditures. I hope this helps you to put those figures somewhat into context ahead of our discussion this evening. As these are newly established offices, funding and FTEs were not included in the transfer from Human Services and Innovation and Advanced Education. In addition, the resources and costs for the two offices are consistent with other ministries of comparable size.

At four months old we are already seeing success. I am proud to say that our \$57 million labour market agreement with the federal government, that I just recently signed with Minister Kenney, now called the Canada job fund, will give Alberta the flexibility we need to offer training that is best suited for our labour markets needs. I want to thank Minister Jason Kenney at this moment, if I may, for working with us to create a program that responds to Alberta's unique labour challenges in the context of Canada. Our next steps are to continue finalizing this agreement in a bilateral negotiations way to ensure we are creating the best program for Albertans, with the goal of implementing it in this particular fiscal year.

Safety and fairness in the workplace have long been priorities of mine on a personal level, and that goes back to even before I entered politics, as many of you may know. As minister of the former employment and immigration ministry I fully supported creating additional compliance tools for our occupational health and safety officers to use. Today OHS staff is working hard to implement those tools that were brought forward during the time of my ministry of employment and immigration. It's important for the members to know that OHS, medical panels, and the Appeals Commission for Alberta workers' compensation budget lines are not funded by taxpayers. These are funded by employers through premiums paid to the Workers' Compensation Board and then transferred to our ministry. This area of work saw an increase of nearly \$2.5 million. Part of that funding increase allows us to hire six more lead investigators to step up occupational health and safety investigations and compliance activities, which brings our total number of officers to 143.

The Chair: Minister, you have two minutes.

Mr. Lukaszuk: I get so excited about this ministry.

These additional boots on the ground will provide increased capacity to hold both employers and their workers responsible for safety on the job. Currently officers are undergoing extensive

training to become peace officers, and we are also providing them with the support they need to ensure workplace compliance. In fact, just a few weeks ago I was honoured to graduate the first class of peace officers who are now on the job sites making our places of employment safer. We want to make sure that all workers get home safely at the end of their shift, get paid what they earned, and for unions and employers to be able to negotiate fair settlements without disruption.

We can always, however, Mr. Chairman, do more. In the coming months we will be developing a new strategy to guide the future direction of Work Safe Alberta. In the process we will be seeking input from Albertans on what the framework should look like and how we ensure our health and safety rules are current for the workplaces now and for the future.

When it comes to employment standards, we have collected and distributed \$4.4 million in wages owed to workers this fiscal year and have recently enhanced the online compliance process to further assist workers in resolving their claims. We've just wrapped up a consultation to identify where improvements can be made in the Employment Standards Code.

Mr. Chairman, another key area of work for our department is to address labour shortages with the right people with the right skills. While our priority always is to ensure that Albertans and Canadians are hired first, immigration is a key component of our workforce development. Alberta has become one of the top destinations for immigration, surpassing British Columbia for the third spot as the place for immigration. Skilled workers from across Canada . . .

The Chair: Thank you, Mr. Minister.

Mr. Bikman, you have 60 minutes, and we will divide them into three 20-minute segments. Would you like to go back and forth with the minister?

Mr. Bikman: I'll try that for 20 minutes. If I find that he's too talkative, then we'll go to the 10 and 10.

The Chair: Okay. Is the minister in agreement with that?

Mr. Lukaszuk: Oh, by all means. Sure. Whatever works for the questioners.

Mr. Bikman: Minister, it's a pleasure to be here with you. I know you're excited. I wondered if you needed a biobreak before we proceed.

Mr. Lukaszuk: We're good. Let's go ahead. Let's have fun.

Mr. Bikman: Okay. Great. I appreciated the introduction of your ministry that you gave, and I can see that you're excited by it, and I would be, too. I think you're meeting a real need. Certainly, the things that you've identified are critical.

One of the things that you mentioned was that your ministry is more than the sum of its parts. I wondered, just before we begin my formal questioning, if you would care to comment on what your ministry is doing to create this synergy. We hear "more than the sum of the parts" a lot, and it's a glib phrase. How are you actually executing that? What are you doing to make that happen?

Mr. Lukaszuk: Sure. Well, for the first time in what I would refer to as recent history, we have a ministry that is truly focused on workforce and labour; it isn't divided between two or three ministries. It is a ministry that starts with unemployment and assists unemployed Albertans relative to attaining the skills that they need to become employable and works in co-operation with

other wraparound service ministries, but we're not in the business of dispensing benefits. We're in the business of providing labour market information, feeding that information into postsecondary institutions, feeding that information into our kindergarten to grade 12 educational institutions, and leading Albertans to employment.

Once they get a job, we're in the business of making sure that they're safe at work and that they're treated fairly. If they get into differences with their employer, we're in the business of making sure that our labour code legislation and the process of resolving issues is handled appropriately. If, unfortunately, they may happen to get injured at work, we're in the business of providing them with workers' compensation benefits and making sure that we bring them back to health so that they can resume either full or a modified type of employment.

There is a continuum of labour that allows us to share best practices, share best information. Also, if employers are short on workers, not only are we working with the marginalized groups of Albertans – if we are to be serious about saying that all jobs in Canada should be given to Canadians first, we do have to make sure that those who are underemployed or unemployed are our priority. Working with aboriginal groups, persons with disabilities – often women find themselves underemployed – students: all that falls within one ministry. It allows us to look at it holistically as opposed to five ministries looking at one-fifth of the problem and solving them sometimes in perhaps not as parallel a way as you wish they would. It just makes more sense for everyone.

Mr. Bikman: To eliminate redundancy . . .

Mr. Lukaszuk: It certainly does.

Mr. Bikman: . . . and fill in the gaps because you're all doing it together. That sounds good. I hope that it works. You and I have talked about this a time or two in the past. We certainly hope that it does work out.

What do you consider to be a healthy workplace? You mentioned three things: fair, safe, and healthy. What's a healthy workplace?

7:20

Mr. Lukaszuk: Well, you know, we're learning every day what a healthy workplace really means. We are gathering ourselves a great deal of scientific data from medical professionals, from occupational health and safety specialists. We gather information from other jurisdictions relative to best practices. We learn from unfortunate incidents that occur through investigation and follow-up. We also look back at some of the occupational diseases that we are dealing with right now, about which you and I can't do anything today because they are as a result of exposures decades ago. But we are learning from that to make sure that we don't expose workers into the future. We always look at the best safety equipment possible and adjust the regulations and legislation relative to that to make sure that the best available information is at the disposal of workers and employers.

Education really is a large component because safety really is a culture. If you buy into safety, if you learn to do things safely, you don't really need to be reminded. This is simply just how you do things. I often use kids' bicycle helmet regulations. Those who have never ridden a bike without a helmet make their parents wear helmets and can't imagine what it's like to ride a bike without.

Also, there is another component, and that's enforcement. Fortunately, as you would find in many settings, you know, a high per cent, 90-some, of Alberta employers are very responsible. They mean well, and they treat their workers like they would their own family. The same percentage of workers are the same. They

care about their own safety and the safety of their colleagues on the job. But from time to time you will have the outlier, both as an employer and employee, and that's when enforcement becomes necessary. We are also ramping up the enforcement side of the ledger to make sure that we achieve that goal.

You know, Mr. Bikman, when you look at an accident report, every one of them, frankly, was preventable. If you could only move time back one second, you could have prevented every single accident. The fact is that sometimes we become careless, forgetful, cut corners on occupational health and safety, and that's when accidents occur. Our job as the ministry is to entrench the culture of safety so that it becomes part of your normal routine and then also weed out those who choose not to play by those rules.

Mr. Bikman: Good. Of course, you're talking to an old oil field trucker, so I'm aware and wish we had another second to go back and do something differently.

Let's get into the nuts and bolts, then, of the estimates. Page 150 in the estimates binder, line 1.1, minister's office: some of this you've alluded to, but we'll just deal with some specifics now. I understand your ministry has only been in existence in its current state for about three and a half months although the forecast amount in 2013-14 is \$275,000, line 1.1. The truth is that with spending at that level for all of 2013, your budget would have been \$942,000 compared to 2014-15 at \$670,000. Some, I suppose, could argue that you've actually cut your budget by \$272,000. Well, of course, we know that's not true. Could you explain to us why it takes that much more money to set up your office and six staff to staff it once it's created?

Mr. Lukaszuk: Yeah. What you are really doing is setting up a brand new ministry – right? – so you obviously have not only the role of a new minister but the support staff that you would have for any minister's office. You have a new deputy minister, a new assistant deputy minister. This is a brand new, stand-alone ministry. The initial cost of setting up that ministry, obviously, is significant. There isn't a division of funds by taking a department out of one ministry and putting it in another. You know, perhaps, if you were to approach it simplistically, you would say: well, if you're taking a quarter of a ministry and setting up a new ministry, a quarter of the budget from that ministry should have been just moved to this one, and it should suffice. Well, the problem is that it doesn't because now you need a new deputy minister, you need a suite of new assistant deputy ministers, and you also need a whole department of corporate support for the ministry. Those are the individuals that do the human resources and correspondence, and the list goes on and on.

In essence, when you are carving out a chunk of a ministry and setting it up as a stand-alone, as appropriate as it is in this situation, when labour is one of probably the only dark clouds hanging over the province of Alberta from an economic perspective, you will incur more of an expense than just that percentage of departments that you transferred from ministries.

Mr. Bikman: Sure. Thank you.

Flowing out from that, because you are a new ministry: job descriptions, performance agreements. Do you have performance agreements in place with your staff? Do they clearly understand what's expected, how they're going to be measured, when they report, how they're being held accountable?

Mr. Lukaszuk: Most definitely. Business plans have been put together. The priorities have been set by myself within the ministry, and I imagine all of you in this office would concur at

least with the majority of them. This ministry fully appreciates the gravity of the work that needs to be done in this province on this particular file. It may not be a large ministry in comparing budgetary line items to some other ministries, but we all know, no matter what riding you represent, that when you meet with your local business community, you hear about labour shortages.

There was a time in Alberta not too long ago when you heard only from certain sectors in certain parts of the province. Now it is uniform throughout the entire province, across all skill sets. Not only is it a regional, provincial problem, but it's starting to become a national problem. My counterparts in other parts of Canada are telling me exactly the same. We know that if we want our economy to grow but at the same time if we want to maintain our quality of life as Albertans, we need to make sure that we focus on marginalized Albertans and provide them with the skill sets that they need to be able to take the jobs that are existing in Alberta, but we also have to make sure that we develop strategies for attracting and retaining workers, hopefully domestically first.

To some degree we know that when you look at Canadian demographics, international immigration and, from my perspective, hopefully permanent immigration and not temporary immigration will be a necessity as time goes on. It is not only an economic argument; it is a quality-of-life argument because if you want to go to a restaurant and that it be open and staffed, if you need to go to work and leave your children at a daycare or with a nanny, or if you're driving on a highway and you need to park your truck and sleep somewhere overnight, those are the jobs that need to be filled. Our economy is very integrated, and having a shortage of workers in one sector has a detrimental effect on the entire chain of economic activity.

Mr. Bikman: Right. Thank you.

A cabinet minister once told me that one of the hardest parts about doing the job was getting the deputies and assistant deputies to do what you asked them to do. He said that sometimes they'd say no straight out: you're going to be gone in a while, and I'll have to train a new minister. Or they'll say yes, but then they won't do it, or they say yes and go behind your back and kind of undermine you. How much confidence do you have in the staff that you've got, that they won't be like the staff that that minister described? Do you know what minister I'm talking about? It doesn't matter.

Mr. Lukaszuk: No, and I don't want to know. But I'll tell you this. Our executive team and, frankly, every single person that works in this ministry is as much an Albertan as you and I. They're hearing exactly the same messages that you're hearing in your neighbourhood at your grocery store, as I do and as you do. They are as intelligent, and in many cases much more intelligent, as any minister is, and they appreciate the gravity of the work that they're doing. It is rare that a minister would be putting forward a policy initiative that in general our executive team and staff would not agree with. Sometimes we may disagree on how we're going to get there, but I actually enjoy that because that makes for a very good discussion.

You know, nobody has a monopoly on knowledge, but as long as the ministry and staff agree that this is the direction in which we need to move, that this is a problem that we need to solve, having a good, robust discussion on policy and how we're going to get there I always welcome, I enjoy. Keep in mind that our executive staff have a wealth of information and knowledge. Many of them have spent their entire careers in the ministries, and they know a thing or two about what will or what won't work. At the same time as ministers, as elected officials, we have our own

mandates, which are given to us directly by our electorate, so we set those forward.

7:30

So if you're in a situation where you're asking your staff to do something and they simply tell you no, first of all you probably would be well served stepping back and rethinking whether you're really asking them to do the right thing. If you're certain you're asking them to do the right thing, they should also have the confidence in your intuition to follow suit. I don't anticipate having those problems into the future.

Mr. Bikman: Well, I hope you're right.

Last year, Minister, your acting deputy minister made \$185,000, almost \$186,000 in salary plus about \$52,000 in noncash benefits, for a total compensation of around \$238,000. Given her job and level of responsibilities is this a market amount of compensation?

Mr. Lukaszuk: Unless you have information to the contrary, I wouldn't say no. One of the problems we're having in some ministries that actually require very technical expertise – this would be one of them – is to attract and retain staff within the ministry. Individuals who have extensive information – for example, in labour practices – are commonly recruited by private-sector employers because they not only know that our staff is well trained; they know that the experience and how comprehensive their experience is is second to none. We know that we need to compensate them fairly for the work that they do at a market rate, and when I say “market rate,” it has to be competitive with other jurisdictions but also with the private sector.

At the same time, we don't want to be leaders. We don't want to lead the market in setting wages. That's not the role of government; at least, that is my personal opinion. But we do have to be competitive.

I know that many of our officials could definitely find a job tomorrow in the private sector that possibly pays more, but that is not why they choose to stay in our ministries. There is a public service component that goes along with that. I firmly believe that many if not by far the majority of our employees in the government of Alberta enjoy and often forgo higher remuneration to be able to be of service to Albertans and to shape our province into the future.

Mr. Bikman: Okay. Thank you for that fulsome answer.

Line 1.4, corporate services, up 13 per cent: this seems to be more than, say, inflation plus population. Would that normally be your target, inflation plus population?

Mr. Lukaszuk: Well, as I alluded to earlier, Mr. Bikman, in this first year, not having a benchmark, it will be very difficult for us to establish where it should be. I can tell you that next year I wouldn't want it to exceed inflation plus population. That would be a good . . .

Mr. Bikman: Benchmark?

Mr. Lukaszuk: . . . benchmark, a good indicator. What we will find probably a little bit cumbersome to all of us in this round of estimates for this ministry is that we really don't have a benchmark from which to compare. We have used some of the best assumptions we could, and then we will do appropriate adjustments next year once we have had a full year of experience. I was checking earlier. Even with the four months of experience one could say: well, multiply that times three. It doesn't work that

way because the first three months tend to require much more work right off the bat.

To give you an accurate answer as to where it should be, ask me that same question next year, and I think we'll be much closer to the target, and we will tend to agree on it.

Mr. Bikman: I understand. Your answer, of course, makes sense. What role and functions does corporate services provide?

The Chair: Minister and Mr. Bikman, you have two minutes left in this segment.

Mr. Lukaszuk: Number one, corporate services puts together all of the documents that we're dealing with right now: budgeting services, correspondence units, any and all contracting that needs to be done for the ministry, travel arrangements, all the administrative functions that need to be put in place to support all the departments within the ministry.

Mr. Bikman: Thank you.

I only count eight staff members in corporate services from the online phone directory. Based on almost 2 and a half million dollars, that works out to over \$300,000 per employee. I don't suppose that's the actual salary. Could you explain the rest of the budget line? How much of that budget line allocation is salaries and benefits?

Mr. Lukaszuk: Okay. Again, you will see the number higher than you will next year per employee or on a per timeline basis because when you set up a new ministry one of the large components of that number is IT. You set up not a new IT system, but you purchase computers and then everything that you need to provide the corporate support.

Mr. Bikman: You should have been able to get a deal on some of those from Alberta Health Services.

Mr. Lukaszuk: It's the upfront cost of setting up virtually new offices for a new corporate support team.

Mr. Bikman: Sure. Okay. On line 1.5 you've asked for a thousand dollars more this year. That might buy you some ink or toner for photocopiers. But, seriously, of the \$275,000 allocated, if salaries stay the same according to the salary disclosure list . . .

Mr. Lukaszuk: Okay. Well, that's right. Those are dollars that are in and out, and that reflects the Public Service Salary Restraint Act. As you know, we have passed a piece of legislation . . .

The Chair: Minister, excuse me for a second.

Mr. Bikman: We'll just keep rolling.

The Chair: You'll keep rolling like that? Okay. Good. You're enjoying it, eh?

Mr. Bikman: I'm having fun.

The Chair: Great. Keep going.

Mr. Lukaszuk: So with the passage of the Public Service Salary Restraint Act, as you know, there was a salary increase built into it. We had to reflect that in our budget to the effect that that would be the salary increase that would ultimately be implemented.

Mr. Bikman: Then your communications staff salaries: are they being supplemented by the Public Affairs Bureau budget or on other line items?

Mr. Lukaszuk: Supplemented by PAB.

Mr. Bikman: Okay. Good enough. On page 150, line 1, ministry support services is \$4.778 million, with 32 employees, \$150,000 per employee, but of course that's not all salaries. How much of that \$4.778 million is salaries?

Mr. Lukaszuk: Now, what should be clear is that when we say minister's office, that doesn't literally mean the minister's office at the Legislature. It means also the support team with the deputy minister and the assistant deputy minister, right? Okay.

Mr. Bikman: Oh, I know. Yeah. Maybe you can just send that to me, just for interest's sake.

Line 2 on page 150, workforce strategies division: spending is up 31 per cent in this division. Again, we know it's start-ups and such. But is it almost all new spending? Line 2.9, labour market programs, is at \$21.6 million. Could you please explain what this labour market program funding will be used for, and how does it relate to the Canada jobs grant that was signed with federal Minister Kenney?

Mr. Lukaszuk: That will be a large part of it because we will be implementing a brand new program out of this ministry, being the Canada jobs grant. The latter part of negotiations and now the building of the program and the actual dispensation of the program dollars will be done by this particular team, which hasn't existed anywhere in the government of Alberta up until now.

Mr. Bikman: Okay. On page 155 there's a line under Operational Revenue for transfers from the government of Canada. The line shows \$1.687 million. I thought it would be much more because of the Canada job grant changes. Can you explain the funding of the Canada job grant and where a person in need applies for this funding? Is it a person, or is it an organization? How does it work?

Mr. Lukaszuk: Well, it'll be dual, but it's a very good observation. Money flows from Alberta to Ottawa, not from Ottawa to Alberta, so don't be surprised.

On this new program, as I mentioned earlier, we're still in the stage of bilateral negotiations. I don't think we would have the time, nor would you want to enter into the discussion about how we got to the point where we are, but it would be fair to say that initially, when this program was announced, it was found rather unworkable by all provinces. We got to a point where all provinces or at least most provinces are ready to sign off, and now we're putting the final touches on what it will look like in Alberta.

7:40

There will be two major components to it. One component will be definitely for training, where we will be bringing under-employed or unemployed Albertans to employability. Then there is another aspect to it, where Minister Kenney and I tend to agree, that we need to increase our employers' participation in training of Albertans, particularly in areas of the trades and technologies. So there will be a matching component between the government of Alberta, Canada, and an employer towards training or upgrading the skills of Albertans, particularly in technologies. This is exactly what we're negotiating right now and putting the final touches on. I'm hoping that we will be able to announce the final sign-off with Minister Kenney in the next few weeks to come.

Mr. Bikman: I hear what you're saying, and I think it makes sense. Your goal, of course, is to employ Canadians who are here now and underemployed, whatever. Will part of your sales pitch to the employers be: "Hey, you're spending \$7,000 to \$10,000 to bring a foreign worker in. How about doing this and employing an Albertan, for whom English is a first language? They're right here; they're established"?

Mr. Lukaszuk: Exactly. It can work in both ways. If you spend \$7,000 to \$10,000 and we'll match you, let's find an unemployed Albertan and give them the skills that they need to be able to fill a position. Or if you have a person on the job right now who shows potential and you can actually move them up the skill set within your company, let's invest in that person jointly, move him up the earning and skills totem pole, and then that opens up a vacancy for another entry-level worker to fill that position.

Mr. Bikman: So it's not just a new hire. It's somebody that's there already that's got potential but doesn't have the skills to meet it.

Mr. Lukaszuk: Well, every time you invest in an employee and you increase their skill sets and move them up the earning chain, you're actually vacating their old position so that another Albertan can fill that. So it works just as well.

Mr. Bikman: Sure. On page 150, line 2.3, settlement and integration, \$8.351 million, could you explain what the 10 staff in this area do with this money and, again, break down wages versus whatever else they might be spending it on?

Mr. Lukaszuk: Well, most certainly. Attracting workers to this province is one thing; retaining workers in this province is another. We actually are doing exceptionally well in this province. As a matter of fact, we have the highest rate of retention of newcomers of any province in Canada. Those who come over here like it here, and they stay. But a lot of it is because of the work that is being done in our community by not-for-profit agencies, churches, and other groups that deliver integration services, language services, and many others. A great deal of co-ordinating of these programs – providing materials, providing information – is done by this particular ministry. So that is one component.

We also are involved in the attraction part, where we are providing presettlement services to potential immigrants abroad, giving them factual information about what will be required of them upon their arrival in Alberta, what skill sets they will need, what education they will need . . .

Mr. Bikman: Creating realistic expectations.

Mr. Lukaszuk: . . . and what the reality of living in Alberta is. As you know, when we had those discussions privately before, it makes for a happier immigrant because they come here with realistic expectations. Often we have to counterargue some of the misinformation that is being floated around by immigration agents – and I'm using quotation marks around those terms.

It's a very important piece of information because we want to make sure that we promote this province as a place to come to, that this is a province of choice, but we also want to make sure that those who come over here come over here with realistic expectations so that when they land over here, their needs are met. Then we work with private- and public-sector integration groups that provide services to them in areas where they may be lacking.

Mr. Bikman: Okay. Very good. Could you, though, still undertake to send me what the wage and benefits total is for those 10 people?

Line 2.4, business and industry partnerships, was cut 38 per cent to just over a million bucks. Could you explain what this line is about and what the impact of these cuts will be on the private sector? Do the cuts mean a loss of full-time equivalents?

Mr. Lukaszuk: Well, it has to do with the LMAs, which are currently under negotiation. As you know, the relationship between the province and the federal government as of the introduction of the Canada job grant changed drastically. The old programs are being done away with. The old relationship is gone, and we're building a new relationship that will be based on the terms of reference of this particular new agreement. So where you see the cut, that is reflective of the old program, which will lapse upon the signing of the new program.

Mr. Bikman: I've got you. All right.

Line 2.5, aboriginal development partnerships. Six staff members here, but it looks like they're six staff with no program. Their budget was cut by about \$2.8 million. Are you planning to eliminate this line next year?

Mr. Lukaszuk: Exactly the same answer as the previous one because aboriginal initiatives will also fall within the new Canada job grant.

Mr. Bikman: Great.

According to the government's online phone directory you have 34 people working in an area called the Alberta immigrant nominee program. Thirty-four people. Can you tell me what line item on page 150, line 2, workforce strategies, this work unit's funding comes from, and can you tell me what the Alberta immigrant nominee program does?

Mr. Lukaszuk: Line 2.7. Do you want me to explain what they do?

Mr. Bikman: Yeah. Where does their funding come from, and what do they do? What is the program?

Mr. Lukaszuk: The Alberta nominee program is a department that's part of our budget, so it's part of the bottom line of this ministry's budget. It's a department that is, I would say, indispensable at this point in time. I don't know if many of you have had a chance to hear not only my position but this government's position on the temporary foreign worker program, but I am a big advocate of a permanent foreign worker program.

Mr. Bikman: I know you and I have talked about that.

Mr. Lukaszuk: I think that we agree on that front, and I think that many of us would.

Now, the temporary foreign worker program is a federal program. The only adjunct component that we have is the provincial nominee program, where we have negotiated with the federal government that this province gets to nominate 5 and a half thousand temporary foreign workers every year for permanent residency in Canada. That is only a nomination. The actual issuance of the visas and permanent resident status still lies with CIC, within Immigration Canada. What this program allows us to do is minimize the revolving door of temporary foreign workers coming in and going out and allows us for some of the workers, where we are satisfied that those positions currently can't be filled by Canadians who are ready and willing to do so, to give them permanent residence.

The benefit of that as compared to a temporary foreign worker is that they become Canadians. They don't send remittances back home. They buy cars and houses over here. They vest themselves in our community and live among us permanently. So my goal is to develop as many pathways as possible into permanency or grow this provincial nominee program. We know that the majority of temporary foreign workers, given an opportunity, would like to stay in Canada and particularly in Alberta. This program is the only vehicle for some skill sets, particularly in the categories of lower skills, to be able to stay in Canada.

Mr. Bikman: Thank you, Minister.

According to the Irish newspaper the *Independent* 7,700 working holiday permits were allocated under the federal international experience Canada program, with 3,000 more Canadian visas available under the young professional and international co-op applicant streams for those with job offers and internships. When the first round of 3,850 working holiday permits was made available, they were gone in less than 11 minutes. The second round was picked up in 30 minutes. The newspaper mentioned Alberta, Calgary in particular, as the place to be. With such high demand for entry from a eurozone country that continues to experience the fallout from the 2008 financial crisis, is Ireland a country that you and your ministry, line 2.8, labour qualifications and mobility, are pressing the federal government to allow more work permits from?

Mr. Lukaszuk: Most definitely. Ireland has proven itself to be a great source of skilled and lower skill level workers. For obvious historical reasons they simply feel at home over here, an Irish pub in every town.

Mr. Bikman: I'll take your word on that.

7:50

Mr. Lukaszuk: That's right.

Also, because of the fact that there is no language barrier, similar training, a similar culture of work, Irish nationals have found themselves to be very successful over here. But it's not exclusively the Irish. We are working very closely with the United States. As a matter of fact, I'm working very closely with the U.S. military. We know that, sadly, coming back from many deployments, U.S. soldiers will be given a medal for their bravery in one hand and, unfortunately, an unemployment cheque in the other hand. Those are very skilled workers, and Albertans take pride in being able to focus on them as a source of potential foreign workers.

I'm focusing also on British soldiers. They're going through a massive restructuring of their armed forces. Many of the British soldiers who are green, from the army component, have been trained in Suffield, not that far away from you, hon. member, so they have a good understanding of the province of Alberta. We're also targeting them as potential foreign workers.

Some countries simply have proven themselves to be good sources of particular skill sets. So we target different parts of the world based on skill sets and the success rate of their performance.

Mr. Bikman: Sure. What about the Ukraine given what's been happening there? Are there any unique skills that Ukrainians might have? Have any of them applied? Have we reached out to them at all?

Mr. Lukaszuk: Well, there are. There are. We have had some interest from Ukraine, and our department has exhibited interest in Ukraine. One of the difficulties with Ukraine that we have found

is English competency. We require by federal regulation workers who come to Alberta to reach the minimum of level 6 English comprehension, which is a rather high level of comprehension. It's very much conversational English. In some parts of the world, where there may be high unemployment and where they may be very skilled, English competency is lacking, and unfortunately that to a large extent disqualifies them. But Ukraine is one not to be overlooked.

I have to tell you that recently I had a visit from Spanish diplomats who are, believe it or not, now experiencing unemployment back home somewhere in the range of 50 per cent among the adult population. We will be looking at Spain as a potential source of workers as well.

So those targets move. They change depending on economies and situations in other countries. But one thing I always want to make sure is that we work with the other jurisdictions' governments collaboratively and that we don't drain them of the skill sets that they require back home because that simply wouldn't be humanitarian. We want to make sure that we have the licence to attract workers from another country and that their government feels comfortable with us attracting those particular skill sets.

Mr. Bikman: And I hope we observe these countries like Spain and others and learn the lessons of the consequence of huge public debt and lavish benefits to people that won't give them up. They'd rather revolt than give them up, which is rather a revolting thought.

Will the new Canada-European Union free trade agreement improve labour mobility between Alberta and Europe, do you think?

Mr. Lukaszuk: That is a very interesting question. As you know, the agreement isn't fully signed off yet, and there are still components that are being negotiated by lower-level officials at this point in time, putting final details on the agreement. Technically, once the agreement is signed off, any and all Canadians who wish to work in the Schengen zone should be able to do so, and any members of the Schengen zone should be able to be employed in Canada. Technically, that fluidity should remain, but that is only technically.

One of the biggest barriers to practising your trade in another country is recognition of your skills. So what we need to focus on if Europe as a whole is going to be our focus . . .

The Chair: Two minutes left in this segment.

Mr. Lukaszuk: . . . is to enter into preliminary reciprocal agreements with postsecondary institutions and licensing bodies in those countries to recognize in advance the credentials from those particular countries. We know that Quebec has been very successful in doing so with France. In some 95 professions right now they have full mobility of labour.

What makes it difficult on the Canadian side is that licensure to practise is often not issued by government but is issued by self-governing bodies, who must recognize the skill sets of those who are trained abroad. So from the European perspective Canada is a very difficult place to enter as a skilled professional and to practise over here because of that dual system, where the issuance of visas and work permits is done by government, but the actual issuance of licensure to practise is issued by a third party.

Mr. Bikman: It's a big problem that we've also talked about.

Mr. Lukaszuk: Correct.

Mr. Bikman: I'm glad that you're working on it. We know that we don't want to involve the Human Rights Commission any more often than we have to – right? – because the outcomes are rarely positive or beneficial.

The telephone directory also says that you have professional governance and land agent licensing in your ministry, page 150, line 2, workforce strategies. At first glance I would think that land agent licensing would fall under Service Alberta or Environment and Sustainable Resource Development. Why is this work unit in here? What line item is it funded under? And can you explain the functions of this work unit?

Mr. Lukaszuk: That is purely for licensing of land agents as practitioners.

The Chair: Mr. Bikman, you're going to continue on the same terms?

Mr. Bikman: Yes.

The Chair: Good.

Mr. Bikman: Thank you.

Mr. Lukaszuk: The entire body of governance that deals with self-governing bodies lies within this ministry. Licensure would be one of those. This ministry, for example, is very much involved right now with APEGA and ASET and having the two professions operate under one piece of legislation. This ministry is very much involved with some of the discussions that are taking place right now on unification of the accounting profession. That falls within this ministry. This ministry is involved, believe it or not, in some of the discussions that are starting to take place relevant to putting under a college of veterinarians the many allied professions that deal alongside veterinary medicine. So all of the self-governing functions of all professionals are within this ministry.

Mr. Bikman: Okay. Thanks for that.

Line 3 on page 150, safe, fair, and healthy workplaces, is up \$10 million over 2012. Again, knowing that we've got the short year and all of that, most of it is attributed to line 3.3, occupational health and safety. Now, that's the same dollar amount as on line 1, page 151, under the heading Operational Amounts Funded by Credit or Recovery. It would appear that employers paying into workers' compensation are paying the \$39.7 million here.

Mr. Lukaszuk: That's right. This is one area of this ministry that employers, frankly, often don't get the credit that they should be getting credit for. Any activity of occupational health and safety, from all of the educational components to all of the materials that we provide to all of the research to all of the enforcement to all of the OHS officers that you see doing sporadic visits on job sites to all of the prosecution and investigation, is paid for by the Workers' Compensation Board. None of these dollars come from the Alberta Treasury. WCB collects those dollars through premiums to employers.

Anything that has to do with safe workplaces and occupational health and safety on the educational side, the inspection side, and the enforcement side: all of those line items are paid for by money transferred from the Workers' Compensation Board. Again, you know, credit needs to be given where credit is due. I dealt with the WCB when I was in employment and immigration, and I have now the pleasure of dealing with them again. I have never yet had a situation where I presented a program that needs to be put in place, that would enhance the safety on job sites, where WCB

would try to negotiate their way out of paying for those programs. They are actually a very valuable partner in putting forward, delivering, and enforcing OHS programs in Alberta.

8:00

Mr. Bikman: Okay. Just in that area, most of us, I guess, on the business side are more aware of the enforcement, you know, somebody showing up and checking things over. They're just looking for something. Sometimes you get the feeling that they're just looking to find something but can't find anything.

Mr. Lukaszuk: If you have nothing to hide, you have nothing to worry about.

Mr. Bikman: Oh, exactly, but they can pick at the smallest thing. But I don't want to go there. That probably says more about me than it says about the job they're doing.

Having them be a resource to businesses in more than just an enforcement or inspection way – you know and I know that you can't inspect in any quality. It has to be designed, and it's got to be part of the system. The big companies can afford to have that capacity within them and could probably teach the government a thing or two. But the smaller, self-managed businesses, that we rely on so heavily in our province, often don't have the resources, and it would be nice if there was some aspect of workers' comp and OHS that was educational, informative, saying: "Hey, Gary Bikman and your little trucking company, let me help you with some things." Mind you, that's the old line: "Hi. I'm from the government, and I'm here to help you." Who's going to believe it? Nevertheless, I wish there was something like that. If there is, I think you need to do a better job of publicizing its presence.

Mr. Lukaszuk: Well, the whole program of Work Safe Alberta does exactly that. The majority of the work that we do in OHS is collect information, develop best practices, and work with employers and employees in an educational capacity. Enforcement is not the priority. As I said earlier, we know that education is much more effective than enforcement because at the end of the day you want to change that culture. Once both parties, employers and employees, buy into it, frankly, inspection becomes really secondary.

There are resources available. If you were to call OHS and say that you're having a problem in a certain area of your line of production, our OHS officers are actually excited to be part of that proactive component. You know, enforcement is not something that they relish because you're usually dealing with not very pretty situations.

Mr. Bikman: It's adversarial.

Mr. Lukaszuk: It's very adversarial.

The fact is that we all know that no matter what program you have in place, if you expect compliance, there will always be that segment, even though small, of the population that needs to get it through their heads through enforcement. Now they have more tools to do so.

You're right. As a matter of fact, one of the myths out there is that heavy industry would have higher rates of accidents. As a matter of fact, the entire industrial zone around Fort McMurray has some of the lowest rates of injuries in all of Alberta because large companies usually have very good safety programs and enforcement and compliance in place.

At the end of the day, when we look at OHS in Alberta, our numbers are improving. They could always get better, but we're doing well. One area where we are seeing numbers that definitely

need to drop over time – there's nothing that we can do about them now, but we can affect them in the future – is occupational disease. You know, you get the results of exposure decades later. But we are putting a lot of effort into learning about the causation of those diseases so that we can prevent them from happening in the future.

Mr. Bikman: Thank you.

We've got here the 2012 annual report of the Workers' Compensation Board, which is the latest one, of course, that's available. I know it isn't exactly comparing apples to apples here, but if someone in your staff could show me in the annual report where the \$30.7 million that was taken in 2012 and placed into line 3.3 is . . .

Mr. Lukaszuk: They're not part of these estimates. Their report and their financial accounting are not part of the line items over here. If you want the answer to that question, you would contact the CEO of WCB. I'm not sure if they fall under Public Accounts. Their numbers in the WCB financial statements are not in any way included or part of our budget.

Mr. Bikman: They wouldn't line up with this \$39.692 million?

Mr. Lukaszuk: Just as a revenue. That's right. That's all.

Mr. Bikman: That would have been the revenue if this agency had been – if your ministry had existed in 2012, that number right there probably would have been \$30.7 million.

Mr. Lukaszuk: Correct. That's right. The only alignment you will see is that the revenue that we generate as a ministry from WCB would show on WCB's report as an expenditure: money transferred to the government of Alberta.

Mr. Bikman: Okay. Some states like Texas in the U.S.A. have private, competitive workers' compensation. Other states are looking at moving to this model. Some states have a mixed system of public and private. Alberta has a monopolistic public system. Has your ministry ever – would you consider looking at the benefits not necessarily of either/or but perhaps of that or a combination?

Mr. Lukaszuk: You know, I'll tell you, and that's a very general statement: I am never opposed to looking at anything because you never know that you have the best system unless you compare it to others and then come to the conclusion that you actually, indeed, do have the best system or not.

The Workers' Compensation Board is not just an insurance company. It is a great source of data collection and a source of best practices relevant to education programs for our entire workforce. Their expertise on OHS, on accident prevention, on rehabilitation, on doing physical capacity assessments on injured workers and then putting them into modified employment so they remain employed following an accident is second to none. I can't think of any insurance company that would have that kind of capacity to deliver such a wide scope of programs. That is number one.

Two, they also contain within themselves medical services, rehabilitation centres, so they provide in-house rehabilitation to workers. If we were to look at private-sector delivery, you would lose that body of information of the entire labour force of all industries under one roof. You would have picking and choosing, you would probably have five to 10 insurance companies, and everybody would be working with different subsets of industries.

Whether from a financial perspective, just purely on a benefit basis, that would be of any advantage to workers or employers, we can't speculate. We don't know what that would look like, but I can tell you from a ministry and societal perspective that what we would lose is that capacity to accumulate valuable information and to develop safety programs in the future.

Mr. Bikman: All right. I'll take that as a no.

Taking a look at the Jobs, Skills, Training and Labour business plan 2014-2017, pages 75-77, I see no performance measure to measure line 3.3, OHS. Is it possible to measure the work of this unit? Do you not think it would be a good idea?

Mr. Lukaszuk: Well, we do measure the work of that unit – and you will be hearing from me within the next few days – by publishing actual data relevant to injuries and incidents and breaches that may happen on job sites. As the number of incidents drop and the number of infractions drop, that is exactly the sought-after outcome. In a perfect world there would be no breaches and no accidents, and that would be something that we would be continuously striving towards. But the efficacy of the entire OHS department lies in prevention of incidents, prevention of exposures, and also in our ability to collect valuable information and to convert it into future best practices.

Mr. Bikman: Good. Good answer.

Your department telephone book says that you've got 12 people working in a temporary foreign worker advisory office. This falls under line 3, safe, fair, and healthy workplaces. Which subline are these employees funded under?

8:10

Mr. Lukaszuk: They are a subcomponent of employment standards, and the reason they're there and not in immigration is because temporary foreign workers are subject to the same legal obligations and benefits as any Alberta worker. Occupational health and safety and employment standards and any and all benefits apply to TFWs as much as they would apply to you and me on that particular job site.

The reason we opened a stand-alone office for TFWs in Edmonton and Calgary, in northern and southern Alberta, is to provide more focused information on some of the issues that TFWs face simply because they may be lacking what most of us Albertans would consider to be given as knowledge. Also, our office does a lot of work for these workers in an interface between the federal government and Alberta employers because, as I said earlier, the TFW program is really a federal program. Often questions arise: How do I extend my work permit? How do I renew my visa? Where is the nearest consulate so I can renew my passport from where I come from? How do you get a health card? How do you get a driver's licence? Many, many questions arise among temporary foreign workers.

This office not only provides the standard employment standards information that most Albertans would call in and ask for; these workers have more complex and unique issues, so we are providing those services. We also can provide services to them in other languages if there is a language barrier, and these workers have developed expertise in that office just dealing with TFWs.

I'm just being shown that we now have guides that have been published in 13 languages, and we have the capability to provide interpretive services in over 170 languages. We do have interpreters that we can access to provide services in over 170 languages now.

Mr. Bikman: It sounds like a good job for Mormon missionaries to apply to. They have all those language skills.

Mr. Lukaszuk: There you go.

Mr. Bikman: News reports are surfacing that employers like McDonald's are abusing the labour market opinion process in order to get temporary foreign workers. Anecdotal evidence is coming forward of young Canadians in Alberta trying to get part-time jobs, only to be shunned due to the availability of TFWs. Does your temporary foreign worker advisory office, under line 3, take complaints from Canadians who feel that they have been locked out of jobs by employers who have engaged TFWs?

Mr. Lukaszuk: Bear in mind, again, that the temporary foreign worker program is a federal program so any and all issues with the temporary foreign worker program – in particular with the issue of the labour market opinion, the labour-market opinion is a document that the federal government issues to an employer. Think of it as a licence to hire a foreign worker. In order to be able to get a labour market opinion, that employer has to satisfy the federal government that there are no Canadians ready and willing to take that particular job. Once the federal government is satisfied, they will issue an LMO document, and the employer is allowed to bring in the worker.

The only time we really interface with the worker is when employment standards are breached or we simply provide them with information, again, just to be a welcoming community for these temporary foreign workers. But if there are breaches of the LMO, we would then refer them to that federal ministry to deal with. If there are breaches of the labour code in any way, we will definitely instigate an investigation.

You know, I'm glad you asked that because I think it needs to be said. The temporary foreign worker program is a very important program . . .

The Chair: Mr. Bikman you have two more minutes.

Mr. Lukaszuk: . . . to Albertans because it is the only program that we have. We know that in the absence of this program we would have a difficult time staffing many positions and availing ourselves of the services that we have. Having said that, I believe that moving towards a permanent foreign worker program will be the right thing to do for us. Yes, there are those who ideologically . . .

Mr. Bikman: May I cut you off so I can get my last question in?

Mr. Lukaszuk: Sure.

Mr. Bikman: Sorry. In line 5, Appeals Commission for Alberta workers' compensation, there's a 21 per cent increase in budget. Would this indicate something is going wrong with the processing of WCB claims? Are more workers getting injured on the job, or is there a policy change that has resulted in more appeals?

Mr. Lukaszuk: Again, the Workers' Compensation Board and the Appeals Commission of the Workers' Compensation Board are funded through the Workers' Compensation Board. No taxpayer dollars go into funding the appeals process of WCB either.

Mr. Bikman: But it's gone up.

Mr. Lukaszuk: But it has gone up. Well, the volume of claims is not really going up in any appreciable way, at least not out of the

range relative to the increasing workforce. As the workforce increases, obviously, you will see some transference of that growth onto their files. Some of the appeals are more complex, without a doubt.

We're also seeing that the competency of commissioners has increased significantly over the last decade. I can tell you personally that I used to represent injured workers before the WCB. Now all chairs are lawyers, virtually, and they're very highly trained in natural justice and administrative law because of the complexity of the appeals that now appear before the Appeals Commission.

The Chair: Thank you very much, Minister.

Mr. Bikman: Thank you.

The Chair: Thank you, Mr. Bikman.

Mr. Hehr, you have 20 minutes. Would you like to go back and forth with the minister?

Mr. Hehr: Yeah, back and forth will be fine.

The Chair: Great.

Mr. Hehr: Thank you very much, Mr. Chair, and thank you very much to the minister and his excellent staff for being here tonight and entertaining questions and providing clarity on where the new ministry is going and the like. I might as well jump right in and ask some questions as we only have 20 minutes in our time together.

One thing has always sort of perplexed me. Currently in Alberta employees must have 52 weeks of consecutive employment with their employer to be eligible for parental leave. Right now we're the highest amongst the provinces. I'll just point out that in Saskatchewan you only need 20 weeks and in Newfoundland you only need 20 weeks. I was wondering why we feel the need to be the highest of all the provinces. Do you think, looking at that, that it might be a more fair and reasonable thing? It might be a little more fair to women in the workforce.

Mr. Lukaszuk: Well, you know, that's a very fair question to ask. That is why, not only because of this question but the many questions like it, I have decided to do a thorough review of employment standards legislation. Now, this piece of legislation wasn't reviewed in this province for many, many years. We ended up with a subset of policies that were virtually an accumulation of Band-Aid approaches. Most recently, as you know, we added compassionate care leave, that was introduced by one of our government's private members in the Legislature. In my opinion, it was time to review the entire suite of legislation and to see whether it is still balanced and whether it is reflective of today's workforce and our values as a society.

I will tell you that, you know, one of the sections that I noticed – and it jumped out at me; I'm not sure if you will feel the same way – is a section that allows under certain circumstances an employer to pay employees with disabilities below minimum wage. Well, maybe that's something we should be looking at. The question you raised: maybe that's something we should be looking at.

We have opened up this act. It is open for a full review. About 85 per cent of Albertans are affected by employment standards legislation, so I would strongly suggest that that is something that you submit and raise as something that is worth reviewing.

Mr. Hehr: Let me ask: has this review taken place? Is it over with? Is it ongoing? When will you be issuing a report on this and the like?

Mr. Lukaszuk: It was a very well-advertised review, as you know. It was open. I think the public consultation just ended a few days ago. Mr. Hehr, just because I know you're so passionate about this topic, if you were to submit a letter with your opinion, even though you missed the deadline, I'm sure I would entertain hearing from you.

8:20

Mr. Hehr: Fair enough. I think they probably covered much of that, but do you have any timelines for when you're going to compile this information and give the ministers direction on where they're going to go on some of these things like maternity leave, disability pay? Probably, you're going to touch on things like, hopefully, farm workers' legislation. Are you touching on that in this review, or is that separate, or any of these type of things?

Mr. Lukaszuk: You know, the reason we did this very open-ended consultation was not to preclude anything. We have asked some very leading questions just to give Albertans an idea of what this act is all about and what can be raised. But the document actually, in its latter pages, opens itself up to any and all suggestions on that particular act. So let's see what we get. We just closed the public consultation. I believe some 1,400 Albertans have responded, which is a good number for a review of a rather technical act like this. I'm hoping that we accumulate this information and that I will be able to table something before the House this fall.

Mr. Hehr: Well, thank you. I actually look forward to that report.

Let me move on quickly to aboriginal development partnerships. According to your ministry's website "The Aboriginal Development Initiative is committed to increasing participation of Aboriginal communities and businesses in Alberta's regional economic development" – a noble goal – yet when I look at 2014-15, \$652,000 has been budgeted for aboriginal development partnerships. This appears to be a decrease from the 2013-14 forecast. Is this because you're switching between two different ministries? Would the rest of that money be found, then, in Aboriginal Relations? What would be your role with the aboriginal communities? What would be, I guess, the aboriginal minister's role with those communities?

Mr. Lukaszuk: The majority of the changes in the dollars that you see are not as a result of this becoming a stand-alone ministry but, rather, because of the fact that we are now entering into the Canada job grant, a brand new structure and brand new program which will now be flowing dollars through this particular program. But you have somewhat – is it \$2.8 million? You have funding of \$2.8 million under the LMA, the labour market agreement, ending on March 31, 2014, and, as I said, the new agreement will now kick in. So we will see the dollar value with the new agreement that we will be signing under the Canada job grant.

Mr. Hehr: So this money will essentially be replaced by the new agreement with the feds, which was – essentially, a lot of the money was coming from the old agreement with the feds.

Mr. Lukaszuk: That is the goal . . .

Mr. Hehr: Okay. That is the goal.

Mr. Lukaszuk: . . . in the bilateral negotiations right now.

Mr. Hehr: Well, we might as well get to that right away here, the bilateral agreement. On the bilateral agreement with the feds – and I think you talk about that – page 25 of the government operational plan states that federal transfers to “labour market programs are currently forecast to decline as the financial impact of the potential renewal of Labour Market Agreement programs is unclear.” Can you tell me what that means and tell me how much money you guys are expecting from the new program? Is it similar to the old program? Is it more? Is it less? How are we going to fund those programs? Are we going to have all the jobs earmarked for technical training? If you could answer some of those questions and the differences.

Mr. Lukaszuk: Well, first, the numbers: once this program is signed off on, we’re expecting about \$57 million flowing into our province and about \$5.4 million out of that \$57 million into this ministry because the majority of actual programs, granting programs, will be handled by the Ministry of Human Services. As I said earlier, we’re not in the business of granting programs; we’re in the business of policy development and bringing those shops closer together and aligning them.

Maybe, to answer your question, Mr. Hehr, more clearly, look at the history of the development of the Canada job grant. As you know, initially Alberta, much like other provinces, was not interested in signing off on the initially proposed program because it assumed in its original version that the world of unemployment and the world of shortages of skills are universal from coast to coast. We who are involved in the business of dealing with the unemployed or underemployed know that there is actually quite a difference between an unemployed Albertan right now and an unemployed resident of Nova Scotia. Why? Well, because in a province where unemployment is 4.3 per cent, the low-hanging fruit, if I can use the term, has already been picked.

Those who are unemployed in Alberta usually have multiple barriers to employment and require longer interventions to become employable, and we need those kinds of programs whereas, perhaps, in Nova Scotia – and I’m being presumptuous because I don’t know much about Nova Scotia – you maybe sometimes just need an OHS course and a pair of steel-toed boots, and you’re ready to go to work. We wanted to make sure that we negotiate now in the bilateral agreement a flow of dollars into the types of programs that we need in Alberta, and you will see the outcome of this in the bilateral. Every province now is negotiating alone what they know they need out of their chunk of money relative to what the programs will look like.

[Mr. Fox in the chair]

Mr. Hehr: Well, then, let me ask – I learned today in question period that we’re going to be bringing back the STEP program or the STEP program in a new way. You know, let’s face it. I was surprised when you guys cut the STEP program. It had been around since 1972. Many people were happy with it. I thought it gave young people a chance to learn some skills. It helped out nonprofit groups and the like. In my view, it was cut because of an inability for us to arrive at some consensus around predictable, sustainable funding, which we still haven’t arrived at. Nevertheless, that’s sort of neither here nor there for this debate. Can you just tell me what you see for the new STEP program? Is it going to be different? Is it going to be similar? Will it be totally handled out of your ministry and the like? If you could give me some information about that.

Mr. Lukaszuk: Sure. Well, first of all, the program was eliminated in the Ministry of Human Services. As I identified earlier, this ministry is not in the business of delivering the granting programs, but we’re in the business of putting policies forward that are conducive to employability and developing our labour force and also meeting labour shortages within industry.

Maybe I’ll share with you, and you tell me what you think of it. When I looked at the old STEP program, that program very often subsidized wages of employers who would have perhaps otherwise hired those workers anyhow because of the shortage of supply of workers. Very often, not always but very often, you found that there was very little compatibility between what the student was actually studying at school and what kind of employment he or she was having during the summertime subsidized by the government and taxpayers of Alberta.

[Mr. Amery in the chair]

I think you’ll agree with me that it would stand to reason that, number one, we need not subsidize employers with wages if they’re going to hire workers anyhow. But if we do, in a market like this wouldn’t it make sense to (a) provide students not only with a job – that was the good part of the program – but also to provide them with a job that is somehow relevant to their course of study so that they can pick up valuable experience and further their understanding of the profession and, conversely, also bring some of the skills that they learn in school into the job places so that the employer will benefit as well? At the end of the day, they will have relevant experience that they could put on their resumé, or – who knows? – if they’re fortunate, maybe that will become their permanent employment upon graduation because it happens to be within the field of their expertise.

That would benefit our not-for-profit sector and also the for-profit sector. So the goal at the end of the day, which I referred to today in question period, is to reinstitute some form of a program that would help students with finding summer employment but, hopefully, employment that is much more relevant to their course of study than what the STEP program was.

Mr. Hehr: Well, that was a good answer, but I’ll push back a little bit. Oftentimes now when students are graduating from university, unless they’re in one designated field or another, you’re often just leaving university and hoping that the skill set is able to develop in the workforce and to work your way up and find and adapt relative to information. Oftentimes that comes through work experiences, whether they be at a nonprofit place, whether they be at an MLA’s office, whether they be elsewhere, whether it applies to their exact course of, I guess, study.

8:30

I graduated with a Canadian studies degree. It’s very tough, then, to tell me where your STEP program is going to find a Canadian studies degree recipient a role in your STEP program and the like just for those types of things. I guess I’m saying that the design of this program, that you told me about – it was a good answer – seems very complex and is very cumbersome. I look forward to seeing the model and what industries you then are going to subsidize, where they would not be hiring students. Can you tell me some of these industries where you think they’re not hiring students, that you will be targeting to then incent them to hire these students? Maybe it would help me if you could name these organizations and name these types of fields that aren’t hiring students from the STEP program, where they need this assistance?

Mr. Lukaszuk: Well, Mr. Hehr, there's not much I can say about your graduation in Canadian studies. I think we found you the best placement we possibly could have, and let's settle on that.

Mr. Hehr: On that I would agree.

Mr. Lukaszuk: In finding placements for our students, we will definitely rely on what students' preferences are. You know, I don't envision a system where we will tell you: you're studying this; you will be going there at the end of the day. Obviously, this will be driven, by and large, by students, but we want to create opportunities for them to work within sectors that are at least somewhat relevant to what they do. The not-for-profit sector is a phenomenal example. Social workers, administrative assistants, researchers – the list goes on and on – could be very well placed in the not-for-profit sector. You'd want engineering students maybe not only in engineering firms but perhaps in manufacturing plants that are relevant to what it is that they're doing. So matching of skill sets could be very small "I" liberal, if you wish, but it will definitely be much more effective than what we've had up till now because – let's face it – what we've had up to now was engineering students working as bartenders and waiters and having that subsidized in some cases.

We're hoping to address a couple of issues. We want the students to benefit from this program in more ways than just earning dollars, but we also want to address a very fundamental issue, that I am hearing in my capacity very frequently from Alberta employers telling me that students who graduate from many of our postsecondary institutions are not, quote, unquote, employment ready, that they're lacking in that practical component. Now, that goes back to Mr. Bikman's question, where I said that our employers must participate more in training our students if they want, at the end of the day, students that have the competencies to fill the jobs. This is one aspect of it.

Mr. Hehr: Despite my pushing back a little bit, Mr. Minister, your second answer gave me very little clarity, as well as your first answer, so I'll leave it at that. I'm looking forward to how you're going to tailor this more into fields that were not previously targeted by the STEP program. My understanding is more this than the answer I just got. You ran out of money in the last round, around 2013. You had to cut some programs. This is one of them. Now you've got more royalty revenue coming in. You're ramping up for election: well, let's get this program going again.

Mr. Lukaszuk: You're entitled to your opinion no matter how wrong it happens to be.

Mr. Hehr: I'll leave it at that, but that's what I think is happening here.

Mr. Lukaszuk: You have the right to remain wrong. Yes, you do.

Mr. Hehr: All right. Okay. We'll go from there.

The Chair: Can we stick to the estimates, please?

Mr. Hehr: That's what I was trying to do, but I was trying to explain where I thought his answer should have gone. Really, if he wanted to tell me what was really going on . . .

Mr. Lukaszuk: Mr. Chairman, then maybe I'll forgo my answers, and he can ask the questions and answer his own questions.

The Chair: He can do that, too.

Mr. Lukaszuk: Okay. Thank you.

Mr. Hehr: If we can go to occupational fatalities. I look at this. According to OHS data the occupational fatalities and the fatality rate had a pretty big spike this year.

The Chair: Mr. Hehr, you have two more minutes.

Mr. Hehr: Obviously, this number doesn't even include those things I stated earlier, farm-related incidents and the like. Do we have any comparators? Is our occupational fatalities rate similar to that across the country? Is ours higher? Do we need to be doing more things here to reduce that rate? People have suggested that we're not doing enough to protect workers in this province.

Mr. Lukaszuk: Well, there are two subcomponents to fatalities. There are the actual traumatic accidents that happen on the job that lead to fatality, and then there are the occupational disease fatalities, which are latent, as a result of exposure decades ago. Now, you and I know that there isn't much that we can do today about the latent ones other than learn from them and prevent them from happening in the future. They are the largest component. As we actually, through science, acknowledge more and more diseases to be related in any way to employment – firefighters' cancer would be an example – that number will grow. The more we accept, the larger the number will be, and so we should because science allows us to make those decisions.

Relative to traumatic accidents our numbers are comparable, but let's be frank. One is one too many, and that is why I am ramping up not only the education but the enforcement programs. We will do what we can, and we will never stop until we will reach zero, however unrealistic it may be, some would argue.

The Chair: And you have reached zero, Minister. Thank you. Thank you, Mr. Hehr.

Ms Notley, you have 20 minutes. Would you like to go back and forth with the minister, or would you like to divide it into 10-minute blocks?

Ms Notley: I'd like to go back and forth. That's great.

The Chair: Great. The floor is yours.

Ms Notley: Thank you. All right. As I always say whenever I start this, if I interrupt you, I'm not doing it because I don't love the conversation and everything. It's because I have a short period of time, and I have a lot of questions to get through.

Mr. Lukaszuk: As long as you give me the time to answer them.

Ms Notley: Exactly. There we go. That's what I will attempt to do.

Following up on the STEP questions, I guess, we've now had two runs at trying to get some details out of you on this. This is the budget debate. We have to approve this budget. Presumably, your planned announcement is funded somewhere in this budget. It's actually kind of reasonable that in this setting we would get a bit of detail about what it is you're planning to spend this budget on.

My questions are threefold. The first question: what line item would the funding for the revised STEP program be found in?

The second question. The previous program, that was cut, was around \$7.5 million. Are we looking at around the same scope of funding as last time? You know, you don't have to give me the exact details, but are we looking at the same kind of thing?

Then the same thing: are we looking at having the same number of students, roughly, the same scope of students, or are you

looking at a different plan that would have a sort of significantly different number of students, maybe a smaller investment and a greater number of students covered, you know, that kind of thing?

Those are my three questions around that.

Mr. Lukaszuk: Well, thank you. At this point in time what you see in this budget is \$3 million for youth temporary employment programs, but I will be working together with Human Services . . .

Ms Notley: Sorry. What line item is that?

Mr. Lukaszuk: That is line item 2.9, labour market programs. Okay? So you're seeing \$3 million over there which would be allocated for this particular program.

Ms Notley, relative to the design of this program I will be seeking your advice, but I will be working very closely with student bodies, with student unions, who are actually very much interested in helping me put this program together. At the end of the day, in my numerous conversations with student body representatives they tend to agree that having better alignment between their areas of study and potential job placements . . .

Ms Notley: I don't mean to interrupt you, but we've already talked about that twice.

Mr. Lukaszuk: . . . makes a lot of sense.

Ms Notley: Numbers of students?

Mr. Lukaszuk: Well, you see that the number is lower than what it was when the old program existed. That in itself is an indicator that perhaps fewer students initially may be served. Also, in some career choices we may have to look at a higher subsidy per student in order to place them properly. At this point in time I would be speculating because we are now in the design process of this particular program, but I will be reporting to you at the Legislature the moment the program is designed and ready for announcement.

8:40

Ms Notley: Speaking not only as an advocate for students, wearing a different hat, but also as a former STEP employer, I hear that this theoretically is planned to be ready for this summer. Is that correct or not? Wouldn't you have to get moving on that if employers are going to be able to act on it in a timely way?

Mr. Lukaszuk: Well, we will be engaging the student body, and we will be engaging employers. I am not sure to what extent we will be able to unroll this program in the spring, but I am very ambitious and optimistic. I would like our students to benefit from at least an initial component of this program into the spring.

Ms Notley: This year?

Mr. Lukaszuk: This year.

Ms Notley: I mean, I guess it just raises the question of whether this is going to be a different model altogether. I'm not entirely sure how you could do that without putting it out to employers pretty much now that it is an option.

Mr. Lukaszuk: Well, we will be relying on the infrastructure of the old program for implementation purposes. It'll be the scope of the program and the goal of the program that will definitely shift. It'll be brought to students also for their input right away, and I have already engaged in some of those discussions with student body representatives.

Ms Notley: Right. We're two weeks away from May 1, which is really the employment start time for most students, so if a job is going to be created – and, presumably, to go back to what you were saying, you want to subsidize jobs that would not exist otherwise – how in heaven's name do you subsidize a job that wouldn't exist otherwise with two weeks' notice?

Mr. Lukaszuk: Well, let me be clear with you on this program. The old program was eliminated by another ministry, and it's gone.

Ms Notley: And that's fine. I'm just talking about implementation details.

Mr. Lukaszuk: I'm in the process right now of building a new program that has, actually, no relationship to the old program. But it is going to satisfy one of the components of the old program, and that's providing students a job during the summertime. The other, equally important component will be, as I said earlier, that relationship with their studies.

Ms Notley: I know this was a discussion when the STEP program was cut before, and much like the Member for Calgary-Buffalo, I also thought it was mostly talking points to justify a cut. Nonetheless, let's just take you at your word. What percentage of the STEP jobs that were funded under the old program was your ministry estimating didn't relate appropriately to the field of study; you know, the bar jobs or the waitress jobs or whatever you were suggesting? What percentage previously would you estimate were not meeting the goals that you'd like the new program to meet now?

Mr. Lukaszuk: I can't give you an estimate because I was not in Human Services. I wasn't administering that particular program when it existed. It's a program that's gone. But I can tell you that my goal moving forward is to have an alignment on every single placement that we do from now on. The focus of the program will be not only on getting students jobs but getting that particular alignment. I want to make sure that those who welcome our students into their places of employment benefit to the maximum and that the students also benefit to the maximum from that program.

You seem to be focusing on the STEP program, and I have no relationship to the STEP program. That's a program that is history; it's gone. It was from another ministry. I can't speak to it. What I can speak to right now is what I am going to build forward as a new program.

Ms Notley: Right. Okay. Well, I think, though, that because the stated objectives of both are almost exactly the same, it's not unreasonable that people see it that way.

Nonetheless, let us move on. Maybe you can give me some quick answers. I know you've given bits of them to other people already, so hopefully this shouldn't take too long. I just want to break down your staffing complement right now. I'm looking for the number of inspectors in employment standards, the number of inspectors in OH and S – and I think you did give that number as 144 if I'm not incorrect – the number of inspectors who are focused on temporary foreign workers. I heard the number 12 that were in the offices, but I'm not sure how many of them are actually doing inspections. I think you've already said that they are part of the employment standards complement. Then the Alberta industry and training staff who are also checking on trade certifications: how many people are doing that, and are they

included under either the employment standards number or the OH and S number?

Mr. Lukaszuk: Yeah. Ms Notley, temporary foreign workers in Alberta are not treated in any different way than any and all workers in Alberta, so there are no separate safety officers for TFWs, and there are no separate employment standards enforcement officers for TFWs. The answer is: there are 143 OHS officers right now, and there are 66 employment standards officers for all workers in Alberta.

Ms Notley: Okay. Are the Alberta industry and training staff folks part of the employment standards complement, the 66, the ones that check trade certification? Is that a different group, under Innovation and Advanced Ed?

Mr. Lukaszuk: That is a different group.

Ms Notley: Not in your ministry?

Mr. Lukaszuk: Correct.

Ms Notley: Okay.

Mr. Lukaszuk: In addition, for TFWs we have 12 employees who deal with the service component, answering their questions and helping them out with their dealings with a variety of governmental agencies.

Ms Notley: Right. And we heard about that. I appreciate that. That's helpful.

Going to the temporary foreign workers' needs, I certainly heard you saying that in large part if it's a question of an appropriate LMO, that would of course go to the feds because that's not your job. Your job, as you've said, is to of course enforce employment standards. Now, in 2010 the old version of your ministry did some spot checks on employers that happen to employ temporary foreign workers. At that time we found that we were looking at roughly 50 per cent of those spot checks that found employers were violating some form of the code, and about half of those were inadequate pay.

Given what we've heard, and the previous member brought up the McDonald's scenario – I don't want to hear about LMO stuff because I know that's not in your jurisdiction – has your ministry been continuing to engage in not complaint-generated inspections but proactive spot check inspections of temporary foreign worker employment sites? If so, how many have occurred, how many violations were found, and what is the breakdown of violations between the types of violations of the code? That information was provided in 2010, so I presume it can still be provided.

Mr. Lukaszuk: Ms Notley, with all due respect – perhaps we should sit down later and discuss it in more detail than whatever 30 seconds you're going to allow me – you are confusing two totally separate things. When our officers go and enforce employment standards, they make sure that Alberta employment standards are being followed: is the worker being paid for overtime . . .

Ms Notley: That's what I'm asking about. I'm not asking about the LMOs; I'm asking about sites where temporary foreign workers are employed and your staff are proactively inspecting those sites to ensure that the Alberta rules are being applied consistently in favour of those temporary foreign workers. That's a job that the staff in your ministry did do a few years ago.

Mr. Lukaszuk: Correct. And we continue to do that.

Ms Notley: That's what I'm looking for on the outcomes. What are the numbers on that?

Mr. Lukaszuk: I'm looking at 2013-2014. There were some 70 claims that were filed. There were nine tips that we followed. There were eight proactive and 13 referrals. Altogether there were 100 unannounced inspections of places of employment.

Now, it needs to be clear that we enforce that employment standards are followed. If rules of a LMO are not followed, we would then refer that to the federal government and let them enforce their own LMO. So that continues to happen. Frankly, I'll be the first one to tell you today that I want to see more of them.

Ms Notley: I'm just curious, though. What were the outcomes? You did a hundred. In how many cases were you finding incidences of noncompliance?

Mr. Lukaszuk: You know what? I don't have that statistic with me.

Ms Notley: Can you provide those to me afterwards?

Mr. Lukaszuk: I can provide you with that later, by all means.

The Chair: Ms Notley, this is a Public Accounts question.

Ms Notley: Well, not really because Public Accounts is the past, and this is the future. The point is – where I'm going is the budget and whether we have enough staff.

The Chair: Exactly. Well, you're asking a question about the past. Let's focus on the estimates of the budget that's before us right now, okay?

8:50

Ms Notley: I know, but you know what? We need to do this in order to be able to assess whether we have enough money for staff going forward. The reason I say that is because in 2010 we found that there was about 50 per cent noncompliance in the spot check scenarios. At the time we suggested that there needed to be more inspectors. If all you've got right now in the whole province are 66 inspectors and if spot checks are finding 50 per cent noncompliance and we have roughly 70,000 temporary foreign workers, I'm concerned that there are a whole bunch of people whose rights are being violated every day in this province and we're not finding it.

Mr. Lukaszuk: Well, you're making assumptions . . .

Ms Notley: Yes, I am.

Mr. Lukaszuk: . . . and I won't be speaking to assumptions, but I will tell you what has happened. In 2013-14 there were 107,000 telephone inquiries that were dealt with. There were 6,044 e-mails that were dealt with. There were 5,704 claims that were received. There were 6,059 investigations completed and 219 appeals as a result of that. The amount of unpaid wages that we have collected on behalf of workers was \$4,264,818.

Ms Notley: That is great. Now, I understand that those 6,059 investigations apply to all workers, not just temporary foreign workers. But if, as we found in 2010, we've got a roughly 50 per cent noncompliance rate and we know that we've got about 80,000 temporary foreign workers in Alberta, that would suggest to me that roughly 40,000 temporary foreign workers are having

their rights violated in any given year. If we've only done 6,000 investigations, we have a problem. I think you should be asking for more money to make sure that we actually treat these workers with the dignity and the legality to which they are entitled when they come to this country.

Mr. Lukaszuk: Ms Notley, I share with you in the fact that our temporary foreign workers must be treated according to the law and with all the respect that any worker in Alberta deserves. As you know, when I was last the minister in a similar portfolio, I instigated those spot and targeted inspections, and you can anticipate more of those happening in the future. At the end of the day I want to be perfectly clear. I have an expectation that any and all temporary foreign workers and their employers are meeting any and all terms of employment standards and occupational health and safety. There are no two tiers of workers in this province. They all are to adhere to the same law.

Ms Notley: We'd like there not to be. I believe we all want there to not be two tiers. I don't believe that that's what's happening right now.

Mr. Lukaszuk: I can't deal, Ms Notley, with what you believe. That is the stated goal. That is the enforcement. We inspect any and all employers in this province, and that is why we collect over \$4 million in unpaid wages.

Ms Notley: Yeah. I think you're barely scratching the surface. You can continue to scratch the surface or advocate to protect workers.

Let us move on. Let's talk about OH and S. In January the new ticketing system came into place, and in mid- to late February we determined that no tickets had been administered yet. At that time I believe you said that you were going to take out the hammer, was the quote. I am curious now whether there have been any tickets issued since January of 2014, post hammer display.

Mr. Lukaszuk: What had to happen, Ms Notley, is that our OHS officers had to be trained to become peace officers. I have just graduated the first class of peace officers some three weeks ago, relying on my memory right now. Not only did we graduate them, but I actually personally have given them a pen each and asked them to use those pens judiciously. Their role in a community policing role is education first, but where they feel – and they're trained to make that decision themselves – that tickets need to be issued or administrative fines need to be issued, they will be issuing them, and I will be supporting them in issuing those tickets and fines.

The Chair: Ms Notley, you have two minutes left.

Ms Notley: Thanks.

So the answer, then, is that none have been issued yet?

Mr. Lukaszuk: None yet.

Ms Notley: None yet. All righty, then.

Let's talk about prosecutions under the act. How many prosecutions have we had this year?

Mr. Lukaszuk: Where is it? No, that's charges.

Ms Notley: Sorry; that's what I meant. Charges.

Mr. Lukaszuk: In 2013 charges were laid on 13 OHS investigation files: 9 were serious injuries and 4 were fatalities. These are still in the process.

Ms Notley: And since 2014 began? Have there been any since January?

Mr. Lukaszuk: Oh, I imagine there would have been. I don't have the number on hand.

Ms Notley: Here's where my question is, because I know I'm wrapping up.

Mr. Lukaszuk: Again, this is more of a Public Accounts question. You're asking me what happened last year, not what will happen next year.

Ms Notley: Well, no. I'm going to now bring it to the question about the budget. In 2005 I believe we were doing something like one prosecution for every 12 fatalities; now we have one prosecution for every 34 fatalities. So the rate of prosecution has dropped by two-thirds. Again, this is a resource issue going forward, and that's a trend. Do you really think you've got adequate resources dedicated to prosecution if your prosecutions are going down and your fatalities, by the way, are going up?

Mr. Lukaszuk: You know, Ms Notley, that fatalities are going up because of . . .

The Chair: Thank you, Mr. Minister. Time is up. Thank you very much.

At this time I'd like to call for a seven-minute break. We'll come back seven minutes from now. Sharp, please.

[The committee adjourned from 8:57 p.m. to 9:05 p.m.]

The Chair: Okay, ladies and gentlemen. We all feel a little better right now and re-energized.

We will move to the Progressive Conservative caucus and Mr. Rogers.

Mr. Rogers: Well, thank you, Mr. Chairman.

The Chair: You have 20 minutes.

Mr. Rogers: Twenty minutes. Mr. Minister, I'd like to go back and forth if you're good with that?

Mr. Lukaszuk: Sure.

Mr. Rogers: Thank you.

The Chair: Great.

Mr. Rogers: I want to thank you and your staff for your preparation and certainly the answers you've given us so far.

Mr. Lukaszuk: Thank you.

Mr. Rogers: I've got a couple of questions here. Mr. Minister, referring to your operational statement on page 155 of the government estimates, in 2014-15 the statement of operations includes less than a million dollars related to labour market development. Now, this marks a significant decrease from \$6.3 million in 2013-14. Can you explain what's transpired here and why you're spending almost \$5 million less? Is that a reflection of less service in these areas?

Mr. Lukaszuk: No. Thank you, Mr. Rogers. A good question. The answer to this question is identical to a couple of my previous answers. What we're doing is relapsing the old program that we were working in collaboration with the federal government on and now instituting the new Canada job grant. Once we sign off on the bilateral negotiations and the dollars start flowing from the Canada job grant, you will see that number grow back to its appropriate amount.

Mr. Rogers: Just to be clear, then, Mr. Minister, you haven't anticipated the amount that you'll be getting? I think you mentioned recently meeting with Minister Kenney and, I guess, some good success there. I'm curious as to why that amount would not have been – how much would you anticipate? Is that why you weren't clear?

Mr. Lukaszuk: Yeah. The global amount for Alberta is \$57 million, out of which \$5.4 million will be coming into this ministry. Those are the global amounts. Now, we are negotiating with the federal government on the actual scope of programs that will be developed through any and all ministries that will be dispensing those dollars, but this ministry will see an additional \$5.4 million coming into our budget on the day of signing off on the final bilateral negotiations. I'm cautiously optimistic. I'm hoping it'll be in weeks, not months.

Mr. Rogers: Okay. I guess just to be clear, then, I mean, it wouldn't have been prudent to budget for an amount where even though you anticipated it, until you had some fruitful negotiations, we really couldn't count these chickens, so to speak?

Mr. Lukaszuk: That's correct. Up until weeks ago, when we signed off on the national agreement with Minister Kenney, we wouldn't have put any of those dollars into our agreement. Right now we at least understand what the global amount will be, but the subdivision of the dollars and actually what the programs will look like are what is being negotiated now.

Mr. Rogers: Okay. Thank you.

Now, again, you talked about success in those meetings and your optimism, but if for some reason something fell off the rails and the funding wasn't fully restored, what would it look like for the stakeholders of these programs?

Mr. Lukaszuk: Well, you know, our negotiations are so far advanced now that I don't anticipate that that will be a possible outcome at this point in time. However, at the end of the day we have a fiduciary duty to Albertans who are unemployed and underemployed, and we will definitely not leave them stranded and continue delivering programs. We know that the programs that we have in this province are very effective, and that is why we fought so hard to protect some of the great work that's being done by not-for-profit agencies, government agencies, and others that provide underemployed or unemployed Albertans with services. I am glad that the federal government saw the wisdom in recognizing the excellence of those programs, so I'm hoping to be able to continue to fund them without any major disturbances upon the signing of the last bilateral phase of our negotiation.

Mr. Rogers: Thank you. Again, Mr. Minister, on page 150 of your estimates, under the second section called Workforce Strategies, there's line item 2.9, labelled labour market programs. The budget for this program is \$21.6 million in '14-15. Again, it looks like all-new funding, because there were no expenditures last year. I believe you alluded to some of this in some of your

earlier answers, I mean, again, no expenditures last year. Does this tie into the fact of, I guess, the newness of a component of this ministry as a stand-alone? Can you help me just get a sense of why the gap is there?

Mr. Lukaszuk: Well, what you will be seeing under that one line item – and I'm actually looking at the numbers now, how it will break down. You'll see \$8 million to support the creation of an employer-sponsored training program; \$5 million for workplace training innovation projects, industry-led pilot projects for underrepresented groups; \$3 million for the youth temporary employment program, to which I spoke with Ms Notley; \$1 million to support implementation of the LMI system; \$1 million to provide technology enhancement for program delivery; and \$3.6 million for additional staff resources. So the moment we sign off on that global program, this is the appropriation of dollars that would flow from it.

Mr. Rogers: Thank you. Mr. Minister, you know, a key component of, I guess, your *raison d'être* as a ministry is to provide services, well, to industry, to workers, to grow and support the job sector, the growth of jobs in our economy. But in our province unemployment is hovering around 4 per cent, and we lead the country currently in job creation. So with such a strong economy, I mean, do we really need these programs? Could these funds be targeted in some different areas?

Mr. Lukaszuk: Well, we do. You know, and that's the irony, that we have jobs without workers and we still have workers without jobs. You're right, you know, most economists would argue that we have full employment in this province, but we still have groups that are marginalized and are either unemployed or underemployed. Shame on us if we don't do everything that we can do to bring them up to full employment before we start looking at attracting other workers. We know that this can't happen overnight, so there is a transitional period.

As I mentioned, Mr. Rogers, earlier, our aboriginal community, obviously, is one that stands out, but we know that with good wraparound services and proper programs like these, we can actually bring our aboriginal community to full employment.

One program that stands out – and I'm actually hoping to work with my federal counterpart to franchise it throughout Canada – is Women Building Futures. You start with a person who seemingly is totally unemployable, with many barriers to employment, you provide the right package of programs, and next thing you know they graduate from NAIT and start earning a very handsome salary, and as government we never see them again. Those programs can be very effective when tailored to the actual needs of those who need them.

Another group is persons with disabilities. We have employers who, in collaboration with the government of Alberta and WCB and others, have developed very effective programs. If I can give a plug – and maybe in this case it would be appropriate – Safeway Canada is a leader in hiring persons with disabilities, and actually, instead of focusing on disabilities, they focus on abilities and do perfect matches and find some of the best workers they ever had.

Another one, as I briefly mentioned, are women. We find that with women, after they leave employment for a while to raise kids at home, many find it difficult to re-immersing themselves into the workforce, because life went on, technology changed, practices have changed, and they find themselves somewhat short of certain skill sets. Having programs for them is very important because what we really need is a social licence to attract foreign workers if indeed they are needed in certain categories. To have that, we

have to satisfy ourselves and satisfy all Canadians that indeed we are doing everything we possibly can to bring those who are already here to full employment first.

Mr. Rogers: Thank you. You mentioned Women Building Futures. I'm very familiar with program. I've toured their facility, and I guess I can't help it since you've touched on that one. Do you have anything in these programs that would provide any assistance in any form to that program?

Mr. Lukaszuk: The actual structuring of programs and the labour force analysis happens in this ministry, but the actual funding for many of these programs that Women Building Futures is utilizing would be done from Human Services.

Mr. Rogers: Thank you for that.

So, Mr. Minister, assuming that everything moves in the path that you've suggested and based on your expectations, when will these programs be up and running, and when can Albertans start seeing some results?

9:15

Mr. Lukaszuk: Well, you know, that's a good question. As I said earlier, I'm hoping that we will sign the final version of the agreement with the federal government within weeks or perhaps even sooner. I'm waiting. I have been frustrated with this file, I have to tell you, for a while. I wish we'd had a national-provincial agreement in place months ago, but that simply wasn't the case. This was a very unique experience, where all provinces were actually singing from the same song sheet on this particular program. We've gotten to a good point right now where I think we're pretty close to signing off and starting to implement.

It will take a little bit of work on some components of the program where employers' participation is required, but that is good news. I tend to agree that we need to increase employers' participation, so we will be looking at the possibilities of having employers step up, but we are still working with the federal government on defining what will be acceptable employer participation within the scope of that program.

Mr. Rogers: Thank you.

Mr. Minister, the question you answered about Women Building Futures and, I guess, the overlap to some extent with another ministry rolls into my next question. For example, you have training in your title, and postsecondary education is another department. You have jobs in your title, but another department is organizing job fairs in my constituency. Can you explain where the work of Jobs, Skills, Training and Labour begins and the work of Human Services and Innovation and Advanced Education ends?

Mr. Lukaszuk: Well, you know, technically there shouldn't be a place where one ends and the other begins because the moment that that happens, you're working in silos. What you have right now is that this ministry is tasked with labour force market analysis, with putting structures in place, but in most cases, Mr. Rogers, you will see the delivery of the actual programs being done by ministries that are more geared towards the delivery of social programs.

The Alberta Works program, for example, is still housed in the Ministry of Human Services. Why? Well, because that is the program that provides, quote, unquote, social assistance and attempts to take some of their clients into employability, and they will be staging job fairs. Our ministry will be very much involved

in identifying industrial sectors and shortages of skill sets to make that happen.

You know, just weeks ago I met with Catholic Social Services and Mennonite centres and others to find out: what skill sets do they have among their clients, and how can we build a program to match immigrants who visit their facilities to jobs that exist? The actual putting on of programs and funding mechanisms are better done in a ministry that already has that infrastructure. There's no point in duplicating it and bringing it to this ministry.

Mr. Rogers: Thank you.

Finally, Mr. Minister, separate from the overlap of people and work and from a standpoint of good fiscal management, can you assure us that there is no duplication here; namely, that different departments aren't all spending money on the same things? I'm hoping that you're going to tell me no, but it's not clear.

Mr. Lukaszuk: Well, you're asking me if I can assure you, so I'm going to say yes.

Mr. Rogers: Maybe I set myself up.

Mr. Lukaszuk: I'm going to say yes, but if anyone in this room is in a position to identify where there could be an overlap, I would want to know and see it eliminated. At this point in time the role of this ministry is very clearly defined, and it is very finite. There ought not be and I don't know of any overlaps that would possibly exist. Think of this ministry as a research ministry that specializes in labour market information, that specializes in labour force forecasts and prognoses, and that information is then fed to the ministries that actually deliver programs.

One of our partners will be K to 12 because we need to feed that very relevant information to students, particularly in high school – as Wayne Gretzky would say, so that they know where the puck is going to be, not where it is right now – and provide them with a prognosis. We can work with postsecondary institutions so they can start diverting some of their funding dollars towards programs which actually would be landing students jobs in an Alberta labour market. They don't have that information. This ministry has the capacity to accumulate that information, do the forecasts, and then feed it to the ministries that can utilize it in a practical way.

Mr. Rogers: Thank you for keeping your eye on where the puck is going.

The Chair: Thank you, Mr. Rogers, Minister.
Mr. Quadri.

Mr. Quadri: Thank you, Chair.

The Chair: You have four and a half minutes.

Mr. Quadri: That's good. As the minister said, I love this ministry. I think it's an amazing ministry. I just get excited by, you know, reading the name.

Mr. Lukaszuk: The name is great. JSTL stands for just support Thomas Lukaszuk, in case you didn't know. [interjections]

Mr. Quadri: I didn't know that.

Mr. Lukaszuk: Well, there you go.

The Chair: No campaign commercials, Mr. Minister.

Mr. Lukaszuk: Oh boy, there's a member choking over here. Somebody help him.

The Chair: Mr. Minister, no campaign commercials, please.

Mr. Lukaszuk: Is there an election?

Mr. Quadri: I know you mentioned something about immigrants. As you know, Edmonton-Mill Woods has a high-density population of immigrants. On page 150 of the government estimates, second section, workforce strategies, line item 2.3, settlement and integration, includes a budget allocation of \$8.3 million. It seems like there are thousands of immigrants coming to Alberta every year, and this does not seem like a lot of money. What will this funding cover?

Mr. Lukaszuk: Well, you know, I have to tell you that in Alberta from the perspective of settlement of immigrants we're rather fortunate because a large component of the immigrants who arrive in Alberta have a very strong attachment to our labour force. Most immigrants who arrive in Alberta either come over here because they already have identified a job that is waiting for them or are members of the federal government's economic class, have the skill sets that will shortly land them a job that already exists over here.

So what happens, Mr. Quadri, what I believe to be the case, is that the best integration program that you can ever have is a job. If you have a job, you can afford to live wherever you want. If you have a job, you can send your kids to soccer, baseball, or whatever it is that your kids are interested in. If you have a job, you can integrate with the community and perhaps make friends with your co-workers. That is what makes for a great integration program.

However, not every immigrant to Alberta can benefit from that. So the integration programs that are put on by many not-for-profit and religious and other agencies are the programs that are being funded. They are to simulate the type of integration that you would get out of being fully employed and fully engaged in the community: English as a second language training, developing the scopes of the programs, co-ordinating the agencies so that we have a full scope of programs delivered throughout the entire province, identifying their needs.

A large component also, as I mentioned earlier, is pre-immigration: providing accurate, detailed information to prospective immigrants to Alberta on what the conditions and expectations are when they arrive in Alberta.

Mr. Quadri: Do I have time?

The Chair: Yeah.

Mr. Quadri: Okay. As one of the goals for the 2014-17 business plan your ministry identified that Alberta has a skilled and adaptable labour force that supports a sustainable, prosperous, and diversified economy. My concern is that a skilled and adaptable labour force does not seem to be the reality for everyone. So many questions are around this topic. I have constituents who have teenage children, and they cannot find a job. I also have a constituent who is aboriginal, and the entire family cannot find jobs. I also have some people who are tradespeople, and they want to work, but they don't want to leave their family behind, go up north to camps and work. So what is your department doing to ensure that all people are successful in this economy?

Mr. Lukaszuk: Well, one of the barriers that we need to overcome is the barrier of a skills gap. Often there are jobs available, but

those who happen to be unemployed in the vicinity simply don't have the skills to take that job. That is why the Canada jobs grant program and some of the programs being offered through a variety of ministries are so important. To answer Mr. Rogers' previous question, we have that fiduciary duty to provide the opportunity for Canadians to get those skills.

9:25

The Chair: Thank you, Mr. Minister.

For the next 35 minutes we will go to the final rotation. The speaking time now is five minutes, and members can again combine their time with the minister's for a total of 10 minutes.

Mr. Bikman.

Mr. Bikman: Thank you. I'll let Mr. Barnes ask a couple of questions, and then I'll carry on.

The Chair: Okay.

Mr. Barnes: Thank you, Mr. Chair.

The Chair: Mr. Barnes, five minutes. Would you like to go back and forth with the minister?

Mr. Barnes: Yeah, back and forth, please.

Thank you, Mr. Minister, for your time tonight, and thanks to all your staff for all your hard work for Albertans. My first question. You're perhaps in a unique position after your last ministry to answer this. Do you feel that right now colleges and universities are doing an adequate job of providing the skills, of matching the skills to what employers in the workforce need?

Mr. Lukaszuk: That is a very good question. I have to tell you that I hear, anecdotally, from employers that they find that the workers that arrive at their doorstep often don't have the practical skills that are required on the job. Recently I heard that from BioAlberta relevant to researchers that arrive at their research institutions' doorsteps. It's a very difficult topic to address because as you know, the setting of the curriculum in postsecondary institutions, unlike K to 12 where it is the provincial government that sets the curriculum, is done by the postsecondary institutions. They have their academic autonomy, which they are very protective of, and I still bear some scars to prove that.

In many institutions there is a fine alignment between the private-sector employers and the not-for-profit employers and the graduates that graduate in the curriculum that they have. In others, not so much. The best that this ministry can do is provide postsecondary institutions and students with accurate information about what skill sets are required to land a job in Alberta and where the jobs will be. Then I would, as always, encourage our students to vote with their tuition dollars and make sure that the programs they are receiving from their postsecondary institutions are indeed well aligned to the jobs. We are finding that many university students, upon graduation from university, actually then go to polytechnics, technical schools, to better refine their skills and become employable.

But we – we, all of us here in government – have a duty to provide our institutions and our students with the best labour market information available.

Mr. Barnes: Okay. Great. Thank you.

Two of your government's main goals from your throne speech were pipelines to tidewater and reducing and eliminating inter-provincial trade barriers. So I'm wondering: when it comes to Jobs, Skills, Training and Labour, can you talk a little bit about what you see as interprovincial barriers, perhaps interprovincial

opportunities even, for Albertans? Is this something that can be made better over the next little while?

Mr. Lukaszuk: Well, you know, it can always be made better. We are still not doing well in labour mobility within Canada, and there are practical reasons for it. You know, those who choose to sometimes oversimplistically attack the temporary foreign worker program will look at the entire country as a pool of workers and a pool of jobs and insinuate that if there is a waitressing job available in Edmonton and there is an unemployed waitress in Newfoundland, somehow we have a match. Well, that is not correct because we know that different professions will travel different distances for a job. It has to do with pay very often.

Where we can effect change as government – and Alberta is a leader on that front interprovincially – is to collapse skills recognition barriers. Under TILMA right now we virtually have full mobility of labour between B.C., Alberta, and Saskatchewan. We need to continue to work with self-governing bodies to make sure that they recognize credentials across the border and work with the federal government in collapsing some of their programs that are counteractive to labour mobility. The EI program would be one. You know, it's still a program that provides a higher level of benefits to a person that lives in a higher unemployment rate than to those who live in a lower unemployment rate. Those are the subject matters that we need to discuss.

We are getting to a point, Mr. Barnes, where even in provinces that for a number of years have been supplying us with workers like Newfoundland and Ontario, they are starting to find shortages of more and more skill sets. You know, in a way, as a Canadian that makes me happy because that means that their economies are growing, and if their economies are growing, all of us are better off. But the traditional sources of Canadian workers are starting to dry up.

Why? Because we are in a perfect demographic storm. Our natural population growth is virtually at zero. We don't even replace ourselves as Canadians. Knock on wood, our economy throughout the country grows at a really good rate compared to, frankly, the rest of the world. As that trend continues, that gap of available labour and the jobs that are available is going to widen over time.

Mr. Barnes: Okay. Thank you for that.

I'm a huge proponent and supporter of the not-for-profit sector, and a lot of the not-for-profits in Cypress-Medicine Hat are telling me that the way the government has set it up – and the government is telling them that it's related to TILMA – a lot of times they can only offer good employees year contracts. The argument or the excuse is that they have to be put out for tender every year and that this is preventing them from getting maybe the right person or the best person. Do you feel that that is accurate, and is there something that can be done about it? Is TILMA a hardship to some of our nonprofits and our long-term sustainability?

Mr. Lukaszuk: Well, no. The New West Partnership allows for full mobility, and there is an appeal mechanism also built in. If one's credentials are not recognized in another province, there's an appeal process that one would be able to go through.

You know, if you can provide me with an example of what it is that you're referring to offline later, tomorrow, I will gladly investigate it because there ought not be any barriers to labour mobility among the three western provinces. If there are, then we need to deal with this because there is a process of complaints and investigation. This is fully reciprocal. We count on B.C. accepting

our expertise as much as they count on us accepting theirs, with no time limitations.

Mr. Barnes: Okay. Thank you.

The Chair: Mr. Bikman, you have two minutes and 45 seconds.

Mr. Bikman: Sole-source consulting contracts: have you got any of those right now?

Mr. Lukaszuk: Sole-source consulting? I don't believe I have, no.

Mr. Bikman: What will you do to avoid them?

Mr. Lukaszuk: Not sign them. Well, you know, there are regulations, obviously, over at what amount you have to RFP a contract. I want to achieve two goals. I want to get the best service possible for the best price possible. Usually to achieve that, competition is not a bad thing.

Mr. Bikman: I agree. Line 3.2: four people employed. Are they responsible for negotiating public-sector contracts? If not, what are they doing?

Mr. Lukaszuk: Line 4, you said?

Mr. Bikman: No. Line 3.2. There are four people employed.

Mr. Lukaszuk: That's labour relations, the government in relationships between employers, trade unions, and employees in Alberta. They're dealing with programs that include the Labour Relations Code, the Public Service Employee Relations Act, and the Police Officers Collective Bargaining Act. These are our, shall we say, experts in labour relations for any and all pieces of legislation that we oversee on labour relations. Those are the individuals that would be dealing with, for example, prospective changes to the labour act. Those are the individuals that would be setting in place arbitrators . . .

Mr. Bikman: So these are the people who would have advised against bills 45 and 46?

Mr. Lukaszuk: You're making assumptions.

Mr. Bikman: That's all I have.

Mr. Lukaszuk: Didn't I tell you that our public sector supports everything we do?

Mr. Bikman: You did at one time. Perhaps that had been true. I'm done.

9:35

The Chair: That's it? Thank you.

Ms Notley, you have five minutes.

Ms Notley: I'll go back and forth for the 10. That's great. Thank you.

Mr. Lukaszuk: Ms Notley, can we go back to the question we left hanging?

Ms Notley: Sure. Where I was going with that is that even if we don't do the per fatality, because I understand that in 2013 we added for some reason, which I will ask about, a whole schwaack of occupational disease fatalities to the total fatalities, even if you don't look at that bump – I'm happy to hear what the explanation

is for that bump – either way we only had five prosecutions in 2013. Generally speaking, the fatalities, even by way of accident, are going up, so why are the numbers of prosecutions so low? For instance, in 2008 you had 22, in 2011 you had 20, and now you've only got five.

Mr. Lukaszuk: Let me tell you this. We also had \$1.92 million levied in fines against employers – that also includes creative sentences because after prosecution often a creative sentence is elected – so quite a significant amount in monetary funds.

Ms Notley: I know, but that happens after the prosecution.

Mr. Lukaszuk: On the number of prosecutions I have to be very cautious. As you know, ministers, even the Minister of Justice, don't direct Crown prosecutors on what to prosecute or how many to prosecute. There are no quotas. As an independent branch within government they make those decisions by themselves based on the information that was laid in front of them by investigators. They have legal guidelines by which they choose what to prosecute and what not to prosecute, and you would agree with me that you wouldn't want me telling them which one to prosecute and which one to not.

Having said that, I have also paid particular attention to those numbers, and I have been asking very similar questions to what you're asking me right now. All I can tell you at this point in time is to stay tuned because you may see some procedural changes that will hopefully reaffirm that the numbers that we have seen up to now were the correct numbers.

Ms Notley: Right. You are right, and it's a good reminder that, obviously, it's the Crown prosecutor who independently determines likelihood of conviction, but I would assume, unless I'm incorrect, that they wait for the files to be referred to them. The question then becomes whether the files referred to them by your ministry remain the same per year or whether they're going up and down in a manner that sort of matches to some extent the drop in the number of prosecutions.

Mr. Lukaszuk: You know what? They are really all over the spectrum from year to year.

Ms Notley: Did they go down last year?

Mr. Lukaszuk: Well, in 2010 we referred 11 fatalities and 24 serious incidents, so altogether 35. In 2011 we referred 11 fatalities and 16 serious incidents, altogether 27. In 2012 we referred 28 fatalities and 23 serious incidents, so 51. In 2013 we referred 20 fatalities and 42 serious incidents, in total 62. So it's fair to say that the number has been growing significantly in the number of referrals.

Ms Notley: Well, you will be happy to know that tomorrow, when I'm doing Sol Gen, I will inquire into the dropping percentage of prosecutions of your referrals, then. Okay?

Mr. Lukaszuk: Thank you, Ms Notley.

Ms Notley: It's good information.

I know everyone has been asking questions about this, but I don't quite get it yet. My understanding is that from the job strategy negotiation \$5.4 million is coming into your ministry, and you outlined what you plan to dedicate that money to. Then at one point, when you were asked about the significant drop in 2.5, the aboriginal development partnerships, you said: well, that will be covered under the Canadian job strategy. But then later on, when I

heard you list the components of the Canadian job strategy, I didn't hear you include that amount of money. What's happening with 2.5, the aboriginal development partnerships? Is it part of the Canadian job strategy, or is it coming from somewhere else? If it's the former, can you list out your expected funding allocations again?

Mr. Lukaszuk: Yeah. It is part of the Canada job grant.

Ms Notley: The \$5.4 million?

Mr. Lukaszuk: That's correct.

Ms Notley: Okay. So aboriginal development partnerships, 2.5, is down by about \$5.2 million. How much is actually going to be allocated to it through the Canadian job strategy?

Mr. Lukaszuk: But in addition to that, we have \$21.6 million of new funding towards that.

Ms Notley: From where?

Mr. Lukaszuk: From the budget, which I'm hoping you will approve. That's under 2.9.

Ms Notley: Item 2.9. You're saying that some of 2.5 is now being paid for under 2.9?

Mr. Lukaszuk: Correct.

Ms Notley: Can you list out the components of 2.9 fully? You've touched on them.

Mr. Lukaszuk: Yeah. Let me read them into the record.

Ms Notley: Okay. That would be great.

Mr. Lukaszuk: Eight million dollars to support the creation of an employer-sponsored training program to be supplemented by federal labour market agreement funding; \$5 million for the workplace training innovation project workplace essential skills, an industry-led project for underrepresented groups, et cetera; \$3 million for a youth temporary employment program; \$1 million to support implementation of the new LMI system tools and product development; \$1 million to support technology enhancement for program delivery; and \$3.6 million for additional staff resources.

Ms Notley: Okay. Those staff will live where? How many FTEs is that, roughly?

Mr. Lukaszuk: They will be in the workforce strategies department.

Ms Notley: Okay. Fair enough. That's good. You know, you did list that before. I had confused it. I thought that was the \$5.4 million that you were describing.

Mr. Lukaszuk: No. This is more than \$5.4 million.

Ms Notley: Yes. I realize that now.

Okay. Let me go quickly to minimum wage and the wage gap for women. You know, you talked about sort of the mandate of your ministry in terms of effective employment and all that kind of stuff. Now, in Alberta we have the largest wage gap between men and women in the country. We also have the lowest minimum wage in the country. We also have the lowest rate of unionization in the country. Just to be clear so that you don't go down this path, research shows that that gap in wages is larger, in

fact, amongst university-graduated people. We're not talking about the gap between folks in the trades working up in the oil sands and folks outside. We're saying that there's a gap across the professions outside of that group. What, if any, effort is being dedicated by your ministry to dealing with the fact that we have the worst record on wage equality for women in the country?

Mr. Lukaszuk: Well, number one, relative to minimum wage, we have struck a balance between industry needs and the wage that we're paying. As you know, right now it's indexed.

Ms Notley: It's the lowest in the country.

But, really, I'm asking about the strategy, if you have one, in your budget for dealing with the growing gap between men and women.

Mr. Lukaszuk: Well, most certainly. You know, I have been very clear that we will be addressing the three marginalized groups, as I referred to earlier, and women are part of the strategy. We will be singularly focusing on women's employment.

The Chair: You have less than two minutes left.

Ms Notley: Where would we find that? In which line item would we see programs to address the inequality for women?

Mr. Lukaszuk: Under 2.9.

Ms Notley: Okay.

Mr. Lukaszuk: But the fact of the matter is that we need to focus on attracting women to many of the careers that traditionally were not occupied by women. Now, going back to Women Building Futures, it is a prime example. We're not only talking about the oil and gas industry, but we're talking about heavy-equipment operators, instrumentation operators.

Ms Notley: Fair enough. But what I'm saying is that the research shows that that gap exists outside of the trades. That gap exists with women graduating with medical degrees, with women graduating with PhDs. If you compare men and women even in those areas – we're not talking about the heavy-equipment operators and the funky big trucks, which I'd love to learn to drive. We're not talking about those. We're talking about how across the board there's a gap. What do you do about that?

Mr. Lukaszuk: Well, I concur with you. There are a number of very complex reasons for that particular gap. You know, there are many variables that contribute to that gap. One step towards closing that gap is providing women with the wraparound services that they need to become fully employable to the maximum of their capability.

Ms Notley: You mean like publicly accessible and affordable child care?

Mr. Lukaszuk: Well, you know, child care spaces are definitely a big component of it.

9:45

The Chair: Thank you. Thank you, Mr. Minister.

Mr. Quadri. Five minutes.

Mr. Quadri: Thank you.

The Chair: You can combine your time with the minister's time, or you can go back and forth.

Mr. Quadri: Sure. We'll combine then. Yes, sir.

The Chair: Okay.

Mr. Quadri: Okay. My question is about labour shortages. Many of the priority incentives listed focus on attracting workers from other provinces, from other countries. We have heard from a number of sources – the employers in our constituency, business associations, and others – that there is a skills shortage, and we need to keep bringing people in. However, we also have heard that there isn't a shortage. A professor at the University of Lethbridge, Stats Canada, the parliamentary budget officer, and others are saying that there isn't a skills shortage. Is there a skills shortage with labour? Either way, where is the disconnect?

Mr. Lukaszuk: Well, there definitely is a skills shortage. If you don't believe that, hon. member – and I know you do – travel the province and meet with employers wherever you go. You will find that they choose to hire, by and large, Canadians and that they have jobs that go on unfilled for months. If you speak with the Motor Transport Association, they're short 7,000 truck drivers. If you speak with the Automobile Dealers' Association, they are actually right now limiting their sales of new vehicles because they can no longer service them to manufacturers' specifications. That means they can't do the oil changes and repairs and even detail vehicles, because they're short of all these skill sets. The list goes on and on.

With the study from the University of Lethbridge – and you would expect a little bit better than that from that particular source – that researcher has chosen to look, as I said earlier, at Canada as one unified labour force and looked at Canadian employers as one unified workforce without taking into account that there are different spheres of attraction from one profession to another.

Let me give you an example. If you were to have an unemployed architect in Newfoundland, it is very likely for that architect to pick up and move to Victoria, British Columbia, if there is a job available for an architect. You will not find the same thing for a short-order cook from a restaurant, to move across the country for that job. Why? Well, because the salary in that profession doesn't justify a move across the country. Likely, that person will not be able to establish themselves. The investment that the person would have to make into the move, not only in dollars but in giving up their family, their roots, their friends, their network of support, for a job that may be paying \$12 an hour in Victoria, British Columbia, simply doesn't justify this move.

Yet this particular study looks at the entire labour market of Canada and says, "Oh, look. If you're short a cook in Victoria, British Columbia, and there is one unemployed in Newfoundland, you don't have a labour shortage. You can't hire a temporary foreign worker because you have one available in Canada," discounting the fact that it is simply maybe academically correct but practically totally impossible.

Mr. Quadri: That's good. Thank you.

The budget increase on the deputy minister's and minister's offices. Page 150 of the government estimates include the operational expense of the department. I noted there is a significant budget increase for the minister's office, from \$275,000 last year to \$670,000 this year. Can you please explain what the significant increase is for?

Mr. Lukaszuk: Certainly. What you have seen last year was just four months of operation of this ministry. What you're seeing over here is actually the full year of the operation of the ministry. There is no baseline against which to compare it. You will be in a much

better position next year in Public Accounts to correlate those two numbers and see how close we have fallen with the target.

Mr. Quadri: I noted that the deputy minister's office increased from \$221,000 to \$650,000. Is this the result of creating a new office, or is there new work being undertaken here?

Mr. Lukaszuk: Same thing: a new office, and you're comparing it to a benchmark of four months. What we are budgeting now is for 12 months.

Mr. Quadri: Okay. My last question. Page 150 of the government estimates includes the operational expenses of the department. The second section of the workforce strategy, item 2.8, labour qualifications and mobility, shows a significant increase from \$4.7 million to \$7.2 million. What is the labour qualification, and what is the mobility work already covered under this existing budget? What does the department intend to do with new funding?

Mr. Lukaszuk: To give you a breakdown, \$1.687 million is federal funding provided by the internationally educated professionals program; a surplus of \$221,000 in 2013-14 is expected to be required in 2014-15; \$100,000 for priority initiatives; \$450,000 to maintain delivery of current programs and services by the existing staff complement; and \$57,000 in manpower provisions for potential costs related to the Public Service Salary Restraint Act.

Mr. Quadri: How much time?

The Chair: Go ahead. You still have four minutes.

Mr. Quadri: I have four minutes? Really? That's good. You're going fast.

Okay. Page 150 of your estimates includes the operational expense of the department in the third section: safe, fair, and healthy workplaces. Item 3.4 is employment standards and shows an increase from \$13.4 million to \$13.8 million. With this funding do you expect to be changing any standard in the workplace in this year ahead of us?

Mr. Lukaszuk: Well, we are going through a review right now, as you know, and we will be developing that into new policy and possibly legislation. So, yes, that will be the case. Also, we had vacant positions that we have budgeted for now in 2014-15 that we will be filling. Those dollars, by the way, fund the 66 compliance officers that are doing inspections and/or investigations and enforcement.

The Chair: Are you done?

Mr. Quadri: I'm done. Thank you.

The Chair: Thank you, Mr. Quadri. Thank you, Minister.
Mr. Bikman. Five and five?

Mr. Bikman: All right. Just a couple of quick ones to wrap up the evening. Why isn't there a transfer of funding from WCB to the ministry in order to fund line 5?

Mr. Lukaszuk: Well, you'll note, Mr. Bikman, that there is a transfer. With the Appeals Commission for the WCB all of their operations are funded by the Workers' Compensation Board.

Mr. Bikman: Okay. Thank you.

Mr. Lukaszuk: It's easiest to remember that anything that has OHS or WCB or Appeals Commission is funded by WCB.

Mr. Bikman: Okay. Thank you very much.

Line 3.1, the medical panels. The medical panels for Alberta workers' comp, are they also funded . . .

Mr. Lukaszuk: They're also funded by WCB, yes. We instituted those panels. Often you will find that there is a disparity of opinions between the treating physician of a worker and WCB's medical officers. Right now there is a possibility of having an independent team appointed. The worker's treating physician actually is part of the appointing process, and so is WCB, and you will have a panel of, I believe, three physicians making an independent medical opinion on usually the worker's ability to return to work and their capacity.

Mr. Bikman: Okay. Thank you.

Let me see. Does WCB adjust its core benefits for claimants upward annually? Is there a cost of living increase? Do you know how that works?

Mr. Lukaszuk: The board of directors of the Workers' Compensation Board annually amends the level of benefits that are being paid to workers, and I believe they use some form of index. I don't believe it's COLA, but it's inflation or – I can tell you what they are, but you would probably get more accurate information asking them directly. That is a decision of the board of WCB.

9:55

Mr. Bikman: I can do that.

And being the gentleman that I am . . .

Ms Notley: Oh, look at you. Thank you so much.

Mr. Bikman: Oh, look at me.

Ms Notley: Just a couple of questions.

The Chair: You have four minutes and 30 seconds.

Ms Notley: I have so many questions that remain.

Mr. Lukaszuk: Well, we should go for coffee.

Ms Notley: Yeah, but I'd like to get it on the record. That's the thing.

Going back to occupational disease, I understand that there is talk of the role of the Chief Medical Examiner changing vis-à-vis the examination with respect to fatalities that may or may not be attributed to death from occupational disease. My question is whether you are aware of that, and if the Chief Medical Examiner were to not do that job, who would? That is currently the Chief Medical Examiner's job.

Another quick question for you, just in case I don't get another one in: why is it that – I mean, I'm constantly having to do an ongoing FOIP to get an up-to-date number of farm fatalities. Can you tell me now what the total number was for 2013 and what the numbers are to date at this point with respect to farm fatalities? My ongoing FOIP only takes me to the end of Q3 in 2013.

Mr. Lukaszuk: To answer your first question, if any and all changes that may occur – and they are in the Ministry of Justice, as you know – were to in any way affect our ability to utilize that service for our determination, we would definitely find a supplemental way of having an independent medical professional to make those assessments for us. For my ministry it is very important to collect that data, because this is very valuable information for developing policies moving forward. Not only do we want to know whether it was or wasn't an occupational

condition, but we also want to know more about what led to it so we can learn.

Ms Notley: And on the farm fatalities?

Mr. Lukaszuk: On the farm fatalities the numbers that you're referring to are often – oh, sorry. The information would be with the agriculture department. As you know, any and all deaths on a farm currently are referred to generically as a farm fatality. In many cases it may not have anything to do with the actual work being done on a farm. They're tragic, and we wish that none of them would happen.

Ms Notley: But it was something that was previously reported through your ministry, and now it's not. I'm just wondering if you can give us updated numbers.

Mr. Lukaszuk: Right now that information is available through the ministry of agriculture.

Ms Notley: When did that change?

Mr. Lukaszuk: Hold on. Just let me caucus.
Do we have it?

Unidentified Speaker: We don't have the ag numbers.

Ms Notley: I don't think they are ag numbers.

Mr. Lukaszuk: I will check it for you right away, but it is my understanding that the numbers right now lie with the Ministry of Agriculture and Rural Development. Let me get back to you on that.

Ms Notley: Okay. Yeah. I wasn't sure that that was the case.

Mr. Lukaszuk: I'll definitely make sure that you get the right answer.

Ms Notley: Fair enough. Obviously, I think it's outrageous that we're not covering farm fatalities. Those numbers are going to continue to grow if there is no enforcement on that. But we've had that discussion before.

I'd like to talk really quickly about the temporary foreign workers. The point was made about the Parliamentary Budget Officer. The Parliamentary Budget Officer specifically talked about regional shortages and said that with the slight exception of Saskatchewan on a regional basis there was not a shortage of labour. My concern is that what we're actually doing is using the temporary foreign worker program as a means of suppressing wages so that that employer in Victoria needn't ever increase the wage past \$12 an hour. Is that really the way to grow our labour economy?

Mr. Lukaszuk: Ms Notley, with all due respect, your colleague, not elected colleague but might as well be, the leader of the Alberta Federation of Labour, just argued today . . .

Ms Notley: Have you met him recently?

Mr. Lukaszuk: No.

Ms Notley: Have you met with him? Are you ever going to meet with him?

Mr. Lukaszuk: Well, you know, I have many stakeholders that I have to meet with first.

The Chair: Mr. Minister, thank you very much. On this note, I apologize for the interruption, but I must advise the committee that the time allotted for this item of business has concluded.

I would like to remind committee members that we are scheduled to meet tomorrow, Tuesday, April 15, at 3:30 p.m.
[interjections]
Minister.

Mr. Lukaszuk: Yes, sir.

The Chair: You're done.

We will be meeting tomorrow, April 15, at 3:30 p.m. to consider the estimates of the Ministry of International and Intergovernmental Relations.

Minister, thank you. Thank you very much. I'd like to thank your staff. I'd like to thank the hon. members.

[The committee adjourned at 10:01 p.m.]

