



Legislative Assembly of Alberta

The 30th Legislature
Fourth Session

Standing Committee
on
Families and Communities

Ministry of Service Alberta and Red Tape Reduction
Consideration of Main Estimates

Monday, March 13, 2023
7 p.m.

Transcript No. 30-4-6

**Legislative Assembly of Alberta
The 30th Legislature
Fourth Session**

Standing Committee on Families and Communities

Lovely, Jacqueline, Camrose (UC), Chair
Sigurdson, Lori, Edmonton-Riverview (NDP), Deputy Chair
Hoffman, Sarah, Edmonton-Glenora (NDP),* Acting Deputy Chair
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Also in Attendance

Hunter, Grant R., Taber-Warner (UC)
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Standing Committee on Families and Communities

Participant

Ministry of Service Alberta and Red Tape Reduction
Hon. Dale Nally, Minister

7 p.m.

Monday, March 13, 2023

[Ms Lovely in the chair]

**Ministry of Service Alberta and Red Tape Reduction
Consideration of Main Estimates**

The Chair: I would like to call the meeting to order and welcome everyone in attendance. The committee has under consideration the estimates of the Ministry of Service Alberta and Red Tape Reduction for the fiscal year ending March 31, 2024.

I'd ask that we go around the table and have members introduce themselves for the record. Minister, when it comes to your turn, please introduce the officials who are joining you at the table. My name is Jackie Lovely, and I'm the MLA for the Camrose constituency and the chair of this committee. We'll begin to my right.

Mr. Yao: Tany Yao, Fort McMurray-Wood Buffalo.

Ms Armstrong-Homeniuk: Jackie Armstrong-Homeniuk, MLA, Fort Saskatchewan-Vegreville.

Ms Fir: Tanya Fir, Calgary-Peigan.

Mr. Yaseen: Muhammad Yaseen, Calgary-North.

Mr. Smith: Good evening. Mark Smith, MLA, Drayton Valley-Devon.

Mr. Gotfried: Good evening. Richard Gotfried, MLA for Calgary-Fish Creek.

Mr. Long: Martin Long, the MLA for West Yellowhead.

Mr. Hunter: Grant Hunter, MLA for Taber-Warner.

Mr. Nally: I'm Dale Nally, Minister for Service Alberta and Red Tape Reduction. I am here with Lisa Sadownik, deputy minister; Richard Isaak, senior financial officer; Christina Dentzien, executive director of registries evolution.

Mr. Nielsen: Good evening, everyone. Chris Nielsen, MLA for Edmonton-Decore.

Mr. Carson: Good evening. Jon Carson, MLA for Edmonton-West Henday.

Ms Hoffman: Sarah Hoffman, Edmonton-Glenora.

The Chair: I don't see that we have any members joining us remotely.

I'd like to note the following substitution for the record: the hon. Ms Hoffman will be substituting as deputy chair for the hon. Ms Sigurdson.

A few housekeeping items to address before we turn to the business at hand. Please note that the microphones are operated by *Hansard* staff. Committee proceedings are live streamed on the Internet and broadcast on Assembly TV. The audio- and videostream and transcripts of meetings can be accessed via the Legislative Assembly website. Members participating remotely are encouraged to turn on your camera, if anyone joins us, while speaking and mute your microphone when not speaking. Remote participants who wish to be placed on a speakers list are asked to e-mail or message to the committee clerk, and members in the room should signal to the chair. Please set your cellphones on silent during the meeting.

Hon. members, the standing orders set out the process for consideration of the main estimates. A total of two hours has been scheduled for consideration of estimates for the Ministry of Service Alberta and Red Tape Reduction. Standing order 59.01(6) establishes the speaking rotation and speaking times. In brief, the minister or member of the Executive Council acting on the minister's behalf will have 10 minutes to address the committee. At the conclusion of the minister's comments a 50-minute rotation block for the Official Opposition begins, followed by a 20-minute speaking block for independent members, if any, and then a 20-minute speaking block for the government caucus. Individuals may only speak for up to 10 minutes at a time, but speaking times may be combined between the member and a minister.

After the speaking time we'll follow the same rotation of the Official Opposition, independent members, and government caucus. The member and the minister may each speak once for a maximum of five minutes, or times may be combined, making it a 10-minute block. If members have any questions regarding speaking times or the rotation, please send an e-mail or message to the committee clerk about the process.

Ministry officials may be present and, at the direction of the minister, may address the committee. Ministry officials seated in the gallery, if called upon, have access to a microphone in the gallery area and are asked to please introduce themselves for the record prior to commencing.

Pages are available to deliver notes or other materials between the gallery and the table. Attendees in the gallery may not approach the table. Space permitting, opposition caucus staff may sit at the table to assist their members; however, members have priority to sit at the table at all times.

If debate is exhausted prior to the two hours, the ministry's estimates are deemed to have been considered for this time allotted in the schedule, and the committee will adjourn.

Points of order will be dealt with as they arise, and individual speaking times will be paused; however, the speaking block time and overall two-hour meeting clock will continue to run.

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

The vote on the estimates and any amendments will occur in Committee of Supply on March 16, 2023. Amendments must be in writing and approved by Parliamentary Counsel prior to the meeting at which they are to be moved. The original amendment is to be deposited with the committee clerk with 20 hard copies. An electronic version of the signed original should be provided to the committee clerk for distribution to committee members.

Finally, the committee should have the opportunity to hear both questions and answers without interruption during the estimates debate. Debate flows through the chair, please, at all times, including instances when speaking time is shared between the minister and members.

I would now invite the Minister of Service Alberta and Red Tape Reduction to begin with your opening remarks. Please proceed, Minister.

Mr. Nally: Thank you, Chair, and good evening, everybody. I am pleased to be here to present budget estimates for Service Alberta and Red Tape Reduction for 2023. As our business plan shows, Budget 2023 enables Service Alberta and Red Tape Reduction's strategic role within government to support affordability, modernization, and the efficient delivery of programs, services, and information. As our business plan shows, in Budget 2023 our budget supports affordability, modernization, and the efficient delivery of programs and services.

At Service Alberta we also support economic growth, and we do that through our focus on red tape reduction. We pride ourselves on being a government that is business friendly, that encourages investment, that ultimately leads to job creation, so we try to stimulate that as much as possible through our red tape reduction efforts.

We also deliver important services that Albertans count on, things such as drivers' licences, vehicle registrations, and birth certificates. We respond to requests under the Freedom of Information and Protection of Privacy Act and promote information through open government, because Albertans value their access to information and open government, so we're happy to support that. We also support crossgovernment services like procurement, mail and print services, citizen contact centres, which are often the first point of contact for Albertans looking for programs, services, and information from their provincial government.

As you all know, the theme of this year's budget is Securing Alberta's Future, which is certainly what this ministry's budget is geared for. The ministry works to optimize and modernize the delivery of programs and services, protect Albertans and businesses in an increasingly complex and changing economic and social environment, and lead, co-ordinate, track, and report on red tape reduction efforts across government to eliminate unnecessary regulatory burden on business and Albertans while ensuring priorities like health, safety, and privacy are protected at all times. In a nutshell, my ministry helps to secure Alberta's future by supporting affordability, protecting Albertans, and supporting economic growth.

If we can turn to some numbers now, Budget 2023 allocates more than \$135 million to Service Alberta and Red Tape Reduction. After factoring in adjustments due to the government reorganization last fall, this year's budget represents a \$23.8 million, or 21.3 per cent, increase over Budget 2022. Of that \$135 million total, \$57.7 million supports consumer and registry services, which includes consumer awareness and advocacy, land titles, motor vehicles, other registry services, and registry modernization; \$71 million supports financial and administrative shared services, which includes procurement services, financial and employee services, central logistics, and FOIP services; \$9.7 million supports red tape reduction, audit investigations; about \$1.7 million of that supports red tape reduction. The remainder supports audit investigations, which includes the consumer investigation unit. Finally, there is \$4.9 million for ministry support services, which includes the minister's and deputy minister's offices as well as corporate services.

On the other side of the ledger projected revenue in the 2023-24 fiscal year is more than \$733 million, up \$26.2 million from last year's budget. This projected increase is due to an anticipated increase in land titles as well as motor vehicle revenue.

Capital investment totals \$45.5 million, up \$12.6 million from Budget 2022 third quarter. This includes \$12.8 million for ongoing fleet replacement, \$28.7 million for registry services modernization, \$4 million for general capital equipment like large-format printers, scanners, which are critical in providing registry and FOIP services to Albertans.

Now, this brings me to a budget item that is the top priority in our department, in our ministry, and that's land titles. We have a backlog. We have a current backlog in land titles that at one point exceeded 84 days. This is quite substantial because we pride ourselves on being a government that cuts red tape, that attracts investment, and that embraces investment, but we weren't able to support that on the land title side.

The challenge that we had is that we had an 83 per cent increase to our land titles since early 2021, but we didn't have the ability or the capacity to scale up. We have a largely manual process at land

titles that's primarily paper based. Now, there have been attempts to modernize land titles. I know the latest attempt, that was cancelled, was in 2017. But in fairness, I also spoke to another minister who worked in government almost 20 years ago, and he told us they were trying to modernize land titles back then. Quite frankly, I wish they had because it would have made it a lot easier for Albertans now.

7:10

When the volume of our land titles documents went up by 83 per cent, we just did not have the capacity that we needed to scale up. We had a training program that was 18 months long, so we took some great efforts to reduce that training program from 18 months down to three months. We hired additional staff last year, and we had another 51 staff that all began before February 1 of this year. We are doing everything that we can to reduce that backlog. I am proud to report that we have seen volumes crest back before Christmas, and we've actually reduced the backlog by 14 days. That's on the land title side.

On the survey side we had a peak of 55 days, and we've almost cut that in half. It's down to 27 days. We're very happy that we're seeing progress, but the fact is that if we see extraordinary events like this happen again, we won't be in a position to respond with the current processes that are in place. We will have the same challenges of not having that ability to scale up what is a largely manual process.

We want to modernize land titles. Now, we are investing \$100 million over three years into registry modernization; \$60 million of that is for land titles. We can come up with a system that is going to be modern, it's going to be agile, and it's going to allow Albertans to have the level of service that they require.

The current motor vehicle registry system was created nearly 40 years ago, and despite many upgrades it is nearing the end of its useful life. Albertans depend on the system to access drivers' licences, vehicle registration certificates, provincial ID cards, and driver abstracts. Modernizing the system now ensures Albertans will continue to have access to high-quality registry services. To be clear, if motor vehicles were to have the same problem as land titles, hiring up additional staff to get us through would not be the answer. We need to modernize motor vehicles because it is within three years of being end of life.

Alberta's other three registries – corporate registry, personal property registry, and vital statistics – are in better shape but will require modernization in the future.

Now, the last piece that I wanted to talk about is procurement. We are taking steps to ensure its procurement and supply chain practices are efficient, effective, and able to respond to disruptions like we saw during the pandemic. As part of that effort, we are investing \$9 million in 2023-24 to improve government procurement by introducing a category management approach as well as seeking advice from our other partners. Service Alberta and Red Tape Reduction has allocated \$350,000 to establish a procurement council made up of procurement ministries and their private-sector partners. This council will identify issues, opportunities, and solutions to ensure our procurement system is meeting government objectives and providing good value for taxpayers.

We also want to make it easier for vendors to do business with the government, not just big business but small and medium-sized enterprises as well. We are currently determining the size and scope of the council and will continue discussions with our partners in the public as well as the private sectors as we move through this process. These improvements will drive collaboration between government and the private sector, improve efficiency, and, most importantly, save taxpayers millions of dollars.

Now, we have a parliamentary secretary of procurement that is assisting us on these efforts. He's taking the direction that we received from both the MacKinnon panel, that wanted us to find some efficiencies within our procurement processes, and he's also taking the direction and the feedback from the Ernst & Young report as well, that recommended making some of these recommendations to have a more efficient procurement process in place.

To sum up, you might say that this year's budget is our ministry's modernization budget. We are making prudent, smart investments in critical economic infrastructure that will spur growth for Albertans and serve the needs of individual Albertans for years to come.

This concludes my opening remarks, and I would be happy to answer any questions that you may have.

The Chair: Thank you, Minister.

For the next 50 minutes members of the Official Opposition and the minister may speak. Hon. members, you will be able to see the timer for the speaking block both in the committee room and on Microsoft Teams. Members, would you like to combine your time with the minister?

Mr. Carson: Sure.

The Chair: Minister, what's your preference?

Mr. Nally: Sorry. Block time, please.

The Chair: Okay. We'll go with block time, then. Please proceed.

Mr. Carson: Thank you, Madam Chair, and thank you to the minister and all of the ministry and department staff that have joined the committee today to take part in the budget estimates process for the year 2023. There are, no doubt, a number of important initiatives within the Ministry of Service Alberta and Red Tape Reduction, and I look forward to our discussion today.

I will just take a moment to say that I am disappointed that for the third year in a row the ministry of Service Alberta and the minister are not willing to go back and forth. I think that as members we have very limited opportunities to question the government on their budget priorities, and I think that it does a disservice to Albertans in terms of transparency and the ability to go back and forth and really dig into some of these numbers if we aren't able to go back and forth. But fair enough.

First, I want to take a moment to review the residential tenancy dispute resolution service. What is here in the budget on page 195 of the government estimates, operating expense, line 2.1, consumer awareness and advocacy, shows an increase of \$2 million for the forecast for '22-23 compared to what was budgeted for this year previously, from \$7,480,000 to \$9,480,000 if I'm correct. I'm hoping the minister can explain why the difference there. Maybe they did in their opening comments, but they can reiterate that if so. Additionally, there seems to be a substantial reduction in this line item looking forward to '23-24, going from \$9,480,000 to \$6,660,000. I'm hoping the minister can provide details about the reduction that we are seeing there.

The description of this line item, it seems, has also changed substantially compared to last year's budget documents. The description no longer contains reference to investigating fraud and consumer complaints and administering the 310 call centre though there is reference to audits and investigations in the description of line item 3.2. I'm just hoping to have clarity if the operations no longer listed in 2.1 have all been moved to line item 3.2. I'm hoping to find out if any of these operations moved to a line item separate from 3.2 or to a different ministry entirely.

I'm also hoping to find out if any of these operations have been reduced, whether in budget allocation or in dedicated full-time or part-time employees, within that area of the department. I'm wondering because the government estimates from last year shows the budget for '22-23 at nearly \$15 million, which is much different than the current forecast shown in this year's government estimates, at \$9,480,000. I'm just looking for some clarity on that.

Additionally, I believe that there was reference to it in the minister's opening statements, but in reference to the 310 call centre – maybe the name has changed – I'm hoping that the minister can provide any performance metrics regarding that 310 call centre and its effectiveness in supporting Albertans who are looking to connect with government services. Specifically, I'm hoping to find out how much has been budgeted for the year '22-23 specific to this call centre and looking for that same budget allocation for the following year, '23-24.

Now, line item 2.1 on page 195, again, of the government estimates continues to support the important work of the residential tenancy dispute resolution service. I'm hoping the minister can provide the cost within this line item specific to the RTDRS's operating expenses for this year and as well the projected specific cost, so the same question, about the forecast for the year '23-24. I'm also hoping to find out if any operations, including the administration of this program or the number of staff, again whether part-time or full-time, has been affected by the reduction that seems to be in line item 2.1 that is projected for the year '23-24. I believe I will come back to the RTDRS, but hopefully we'll be able to receive some answers on those initial questions from the minister when we have the opportunity.

Page 118 of this year's ministry business plans shows in performance measure 3(b) that in '22-23 only 41 per cent of urgent tenancy dispute resolutions were heard within the established 15-day timeline. Now, no doubt, I think that most Albertans, including myself, are incredibly disappointed to see this figure. The work of the RTDRS is crucial to so many Albertans, and it deals with something as important as housing and disagreements between landlords and tenants, often affecting vulnerable communities across our province. This process should be accessible and delivered in a timely manner, ensuring that Albertans believe enough in the system to use it, freeing up crucial space in our courts.

7:20

Regarding this performance metric that we see in the government budget documents, I'm hoping to find out why this number has dropped further, to 41 per cent. Last year in those budget documents we saw the same concerns, with 50 per cent of disputes being heard within 15 days, and things seem to be getting worse, not better, based on this performance metric. I'm wondering why we continue to see a drop in that percentage of disputes being heard in 15 days.

During the last estimates process the ministry business plan had a target for this year, the '22-23 year, of 83 per cent, much higher than what we're currently faced with at 41 per cent. I'm just wondering: from then until now what, you know, problems arose that weren't foreseeable at that time between the target of 83 per cent and now sitting at 41 per cent?

I'm hoping the minister can share with the committee: how many Albertans are currently accessing the RTDRS, how many Albertans are currently waiting to have their cases heard, and how many cases have been heard so far in '22-23? For reference, I'm also hoping the minister or the ministry could provide the committee with the number of applications that were heard in 2021, when, on average, 94 per cent of urgent tenancy applications were being heard within 15 days. Again, the targets over the last two years have been on a steady decline or quite a significantly rapid-paced decline. I'm

looking to understand, again, the number of applications that we saw in 2021, if the minister is able to provide that for us, so that we can compare how many cases are being heard, if that is potentially part of the reason why these performance metrics are being missed by such a large margin.

Above and beyond the 3(b) performance measure that's included in the ministry business plan, I'm hoping to find out if the ministry has any other metrics to monitor the effectiveness of a program as important as the RTDRS to Albertans. If there are other performance measures, if the ministry is able to provide that to us this evening, or potentially if it's in other documents or reports that we have access to, that would be appreciated.

Again looking at 3(b), the minister or the ministry lists percentages of cases being heard within 15 days. I'm hoping the minister can provide the committee with information regarding how many of these cases have been heard. Madam Chair, different from my original question, how many of these cases have been heard but are waiting to be resolved, and what is the average timeline for resolution after the case has actually been heard?

I'm hoping the minister can also provide details on how long the average tenant and/or landlord is waiting to have their dispute heard, how the ministry or the minister proposes to increase the percentages of Albertans having their disputes heard in the 15-day time frame, that is provided in this performance metric, to 85 per cent in '23-24, as is shown in the ministry business plan, reflecting on the inability to increase and, in fact, seeing a decrease in where we actually are this year in terms of timelines for cases to be heard. I'm wondering how the minister proposes to raise this percentage by so much when we weren't able to do it over the last budget cycle and, in fact, have done the opposite.

I'm hoping to find out what the current percentage of urgent tenancy applications that are being heard within the 15-day time frame is and hoping to find out if that's different than the 41 per cent that we see here. Since these budget documents have been released, is the minister able to provide any sort of reassurance or new performance metrics that show that things are going in the right direction and not getting worse, as we've seen so far?

Is the ministry collecting any data or tracking any performance metrics specific to the introduction of the Mobile Home Sites Tenancies Act? Also, I'm hoping to find they can provide information or potentially, again, performance measures about how that's impacting the RTDRS as a whole.

I appreciate that I've gotten through a lot of questions here. I think I'm almost at the end of my questions for the RTDRS for this moment, Madam Chair. My last question: can the minister provide a breakdown of who is accessing the RTDRS services? For example, is it primarily renters concerned about evictions, concerns about payment of rent? Is it landlords concerned about actions of tenants, et cetera?

I'll leave it at that. Thank you, Madam Chair.

The Chair: Thank you so much, Member.

We'll go back over to the minister now for a response.

Mr. Nally: Thank you, Chair, and thank you to the member for the questions. I'll be happy to answer them. There are certainly a lot of questions there on the table to deal with, and I'll go through them as best I can. I'm sure, if I miss some, the member will not be shy about letting me know which one to go back to.

We started at 2.1, consumer awareness and advocacy. There's a \$1.3 million reduction in this line item. This is a realignment to focus on modernization of registries. It's a restructuring of the budget line just because we're having more focus on modernization. It has not reduced our commitment to consumer awareness and

advocacy by any means. I would suggest that with the challenges we're seeing in the supply chain right now and the difficulties for consumers, if anything, there's more of a need for consumer protections and not less, so I'm happy to see that that's still in place.

A lot of questions on the residential tenancy dispute resolution service timelines. Due to a sudden surge in demand for residential tenancy resolutions in 2021-22, delays in hearing the urgent tenancy dispute applications increased, causing RTDRS to fall significantly short of its target. At one point 33 per cent of the urgent applications that we were receiving were being heard within 15 days, so obviously well below the standard that we set for ourselves. You know, I can tell you that we are now hitting our performance metric for the RTDRS. We're now achieving 84 per cent of those urgent applications being heard within 15 days.

Now, in response to a surge in the applications to the RTDRS last year, in order to stay ahead of the growing demand, the department has done a number of things, including hiring additional staff and modifying its scheduling strategy to accommodate. The RTDRS continues to conduct all hearings as teleconferences, which are more efficient and more accessible than in-person hearings. As of November 2022 the RTDRS was once again meeting its performance targets, as I mentioned, of 84 per cent, with urgent applications, such as those for recovery of possession of a rental unit or termination of tenancy, being heard in fewer than 10 business days and applications for strictly monetary claims being heard within 35 business days. Applications for termination of a tenancy due to assault or threats of assault or where significant damage is actively being done to the rental premises are given the highest priority and can usually be heard in less than one week.

Now, the RTDRS, for everyone's benefit, was established in 2006 as a more accessible alternative to the court system for matters between landlords and tenants. It is designed to be faster, less expensive, and less formal than having a matter heard in court, but that, of course, only applies if you can actually get in for urgent matters. Applications are heard by tenancy dispute officers located in either Edmonton or Calgary, and since the pandemic all hearings are conducted by teleconference. Given the 2022-23 data year to date, the number of applications for landlord tenancy resolution is on track to have increased by 26 per cent since 2019-20, largely driven by instability in the rental market. This is the result of several complex and intersecting factors, including fallout from the COVID-19 pandemic, the trend towards working from home and needing more space, changes in levels of employment in the province, tenants changing jobs, worker migration into the province, high inflation, and, of course, the availability of affordable housing.

In the spring of 2022, after taking the time required to confirm whether the surge in application volumes was temporary or a growing trend, it was determined that this high volume was, in fact, a new normal, and RTDRS was approved to increase the staffing numbers. As of January 2023 RTDRS has added five new tenancy dispute officers and one information officer and is adding an additional information officer in the coming weeks. The increased number of staff have brought the wait times down considerably, and as I mentioned, 84 per cent are being heard within the 15-day standard for urgent applications.

Now, the number of applications to RTDRS since fiscal 2019-20: they were 11,130, and then in '20-21, 10,973, a drop from the previous year, which we attribute to the pandemic as well as the ministerial order suspending evictions during the month of April 2020. Then in 2021-22 they went up to 12,872, and year to date, as of January 31, 11,641, and we're on track to receive 14,000 in 2022-2023.

7:30

The average number of business days between filing and a hearing of the urgent possession termination application; so in other words, the target of 15 days – sorry; let me rephrase that. The target is 15 days, but the average number of business days between filing and a hearing of the urgent possession: for 2019 and '20 it was 24 days; for 2020 and 2021 it was 11 days; for 2021-22, 17; and then year to date we are on track to hit 84 per cent of applications being heard within the 15 days.

The average number of business days between filing and a hearing of other types of RTDRS applications such as payment of damages or recovery of security deposits: the target is 30 days. In 2019-20 that was 45, in 2020-21 that was 36, and in 2021-22 that was 36. And year to date, so through January 31, it was 60, and as of the end of January the wait times were under 20 business days. So the RTDRS, once again, is meeting its performance targets, and the government responded to the surge in demand.

The RTDRS calls that came in: 85 per cent of them were from landlords; 15 per cent of them were from tenants. The increase in resources accompanied by modifying the scheduling strategy to increase efficiency has meant that the RTDRS has been achieving its performance target since November 2022. With these important changes, it's expected the RTDRS will be meeting its performance target for the foreseeable future as well.

On consumer protection: as I mentioned, you know, this is something that continues to be important. Alberta's government is committed to ensuring that consumers are treated fairly and ethically in the marketplace. It is the Alberta government's job to protect Albertans from being taken advantage of. We want Albertans to know that we have their back, so we have the Consumer Protection Act, and just – you know what? I should probably, just before I go on – because I have this, the 310 call centre stats. Under 4.3 in estimates: 130,000 calls were answered. I was afraid that if I moved on, I'd forget to go back to that.

It's the Alberta government's job to protect Albertans from being taken advantage of. The Consumer Protection Act prohibits businesses from charging a price that grossly exceeds the price of similar goods or services without informing the consumer of the difference and the reason for the difference. Consumers can report suspected unfair practices, including pricing without explanation on grocery items that grossly exceed the price of similar items, to the Report a Rip Off line.

Service Alberta and Red Tape Reduction protects Albertans through the investigation of potential violations of consumer protection and tenancy laws. Businesses found guilty of price gouging can be fined by the courts up to \$300,000 or receive up to two years of jail time. Later this year the Competition Bureau of Canada will release a report from its investigation into grocery price fixing, that was conducted between October to December 2022. We look forward to receiving that, and we'll be monitoring that very closely when we get the results.

Just before I go on to the Mobile Home Sites Tenancies Act, I also want to say that, you know, our message to the consumer protection units in Alberta is to use every leverage that they can to make sure that Albertans are protected at all times, and we're seeing that. We're seeing that in the industry; we're seeing that in the audits and investigations.

Now, on the Residential Tenancies Act, with regard to mobile-home site tenancies rent – sorry; just one second. I believe one of the questions was on rent controls regarding the mobile site tenancies, and you can clarify if I've got that wrong. The challenge with rent controls is that we tried this in the 1970s. We tried it, and it didn't work. It was a deterrent and a roadblock to investment and

future buildings coming online, so we ended up having to pull it in the 1980s because it didn't achieve its desired outcomes.

We know that the challenge forward is to have increased competition and more choice. The way to deal with this, for us, is through the affordability measures that we've taken. As you know, we have \$2.8 billion of affordability measures for Albertans. We are providing \$100 a month for low-income families. We're providing \$100 a month for low-income seniors. That's in addition to the 13 cents a litre that we're taking off at the pump for taxes, and of course . . .

The Chair: Thank you, Minister.

We'll head back to the Official Opposition.

Mr. Carson: Thank you, Madam Chair. I appreciate the minister doing their best to answer those questions, and I might say that we received more answers than usual, so I appreciate that.

Just going back to a few pieces that were just gone over, specifically, quickly, on the 310 call centre and its effectiveness in supporting Albertans who are looking to connect with government services, I believe there was a figure in there regarding how many Albertans have accessed it. I'm, again, hoping to hear how much has specifically been budgeted for the 310 call centre. While the minister is getting that information, if possible, if they could confirm what line item that is coming from. Again, looking at the projection for '23-24, is that number expected to stay flat? Is it going to increase, decrease? That would be appreciated.

Going back to the RTDRS, I again appreciate the minister's answers in that 10-minute block. I am hoping that the minister is able to still provide the specific cost within the line item regarding the RTDRS operating expenses for '22-23. How much, specifically, is being spent on the RTDRS system in this line item? I don't believe that I heard an answer regarding that as well as the projected cost specific to the RTDRS operating expenses for '23-24.

I ask this again though there was a bit of clarity. I believe the minister said that this wouldn't be reduced, but I'm just hoping to get specific within line item 2.1 about those figures to fully understand what is happening there and what has moved. And I did ask a question about audits and investigations, and from what it looked like, some of the line items from 2.1 had moved to 3.2. I'm not sure if the minister had answered that one, but maybe they can take another moment to reflect on that question again.

Finally, I guess, on the RTDRS point, I think this was touched on regarding the increase of certain staff within the RTDRS, and I can appreciate that. Again, these are very important services that are being provided to Albertans. But I do once again want to confirm that while, you know, certain full-time positions or part-time positions may have been filled in that area of the department, potentially somewhere within the same area didn't see a reduction in part-time or full-time equivalents. I just want to again confirm, or if the minister could confirm, whether there has been a reduction or if the figures that the minister just mentioned are above and beyond what is currently there and there are no plans for reduction into the future.

Just moving on now, I believe, to land titles and registries, we've heard the opening comments from the minister on this, an important topic. Something that is new to the 2023 business plans compared to previous years: we see key objectives and performance metrics related to land titles processing. While this topic, again, was not previously included in the business plans from this current government, there is no doubt that this has been an important issue for Albertans over the last few years, and it's an issue, I'd argue, that this government has been slow to address; I'm sure the minister will argue the opposite.

But throughout 2021 the minister at the time was musing about the privatization of certain registry services, going as far as including it in the 2021 fiscal plan. We even saw the ministry collecting expressions of interest for privatization of these services, and at that time many Albertans were concerned with the lack of consultation and lack of detail made public to support the government's decision. Then, seemingly at the eleventh hour, the government went back on their decision, as far as we can tell, to privatize these services.

So I'm hoping that the minister could explain what happened between the expressions of interest coming in and the decision of this government to, from what we can tell, stop the privatization of these services at least for now. Have there been any cost implications based on the administration of the proposal to privatize these services? So that process of expressions of interest and preparing these documents and everything else: I'm hoping to find out if there is a cost to Albertans for that process. I'm hoping the minister can provide a breakdown of what this process cost, again, and what line item this can be found on in the government estimates.

I'm hoping the minister can provide a commitment to Albertans that this government, as long as they are in power, are no longer considering privatizing these services now or in the future, especially as, from what we see in these budget estimates, we are as Albertans going to be investing tens of millions of dollars into this process for these important services.

7:40

Now, on January 16, 2023, the *Edmonton Journal* reported that Cate Watt, an assessment and taxation branch manager with the city of Edmonton, warned property owners that the Alberta land titles office was about four months behind in processing and registering land title transfers. This fact meant that many property owners are or were receiving their property tax information to their old address, which could potentially lead to late-payment fees for a property owner. In the city of Calgary that could mean having to pay an additional 7 per cent on top of their property taxes.

Another report, from CBC on October 23, 2022, detailed Wes Price, an Edmonton condo owner who bought their condo on June 30, 2022, and had still not received their land title documents at the time of that report. The story goes on to explain that Albertans who had recently bought a property – again, a similar situation, Madam Chair – had to pay late payments because their documents weren't coming to the proper place. Now, in this report it explained that the provincial government has a process for receiving compensation based on certain criteria and that Albertans may be eligible for compensation under the property tax late-payment reimbursement program through the Alberta government.

I'm hoping the minister can detail which line item that would be contained in if it is indeed in their ministry. I'm hoping the minister can provide the committee with the total expenses specific to the delivery and administration of this program for the '22-23 year as well as a forecast for the '23-24 year; if they expect it to go up, down, stay the same.

I'm hoping to find out if the ministry tracks any key metrics related to the use and administration of this program as it relates to the operations and expenses in this line item. Again, I apologize if it happens to be administered through a different ministry; I'm happy to have that clarification.

I'm hoping to find out how many Albertans applied for this program in '22-23, how many received funding, how many were denied, and if they were denied, potentially a breakdown of why that would be happening. Again, hoping to find out if the ministry projects more or fewer Albertans applying for this program in '23-24, more or fewer Albertans receiving reimbursement.

Now, the government business plans for '22 to '25, so last year's business plans, Madam Chair, listed an initiative supporting key objectives at \$10.1 million to be allocated to registry transformation projects to modernize online service delivery for land, personal property, corporate, vital event, and motor vehicle registries. I'm hoping the minister can confirm that the entirety of this budgeted \$10.1 million from the last budget cycle is projected to be spent in '22-23, as it was proposed in the last budget documents. My apologies for the confusion there. Again, hoping to find out if any of that previously allotted or allocated \$10.1 million did not get spent as proposed in this budget cycle and, further, if any of that money has been reallocated to the '23-24 initiatives supporting key objectives funding we see listed on page 117 of the '23-26 business plan.

About a minute and a half left, so I'm going to jump to something quite different, Madam Chair, regarding FOIP. Now, line item 4.4 on page 195 of the government estimates lists the costs associated with, among other things, the administration of the FOIP Act and the Personal Information Protection Act. We see about \$900,000 added to this budget line item in '23-24, though I believe some aspects of the FOIP process have actually moved to the Ministry of Tech and Innovation, including some administration of PIPA and part 2 of the FOIP Act. So I'm looking for some clarity around that line item. I'm hoping the minister can explain why this line item is increasing while, based on the description of the line item on page 194, the services administered through this part of the department in this line item have actually been reduced, so some clarity on that.

I'm hoping the minister can provide the specific costs associated with the administration and delivery of the FOIP Act and PIPA, as shown in line item 4.4 on page 195 for the '22-23 budget year. Again I'm looking for further detail for the projected '23-24 budget year.

I think, Madam Chair, there was a lot there. I do have more questions regarding FOIP, but I will take this opportunity to listen to the minister's response.

Thank you.

The Chair: Thank you, Member.

We'll go over to the minister for his response.

Mr. Nally: Thank you, MLA Carson. I think you actually had more questions in that second one than you did in the first one. Again I'll do my best to go through this, but you can bring it to my attention if I manage to miss any.

The 310 call centre: as I mentioned, we had 130,000 calls, and we're forecasting that number to remain the same this year as it was last. We have that in 4.3, as you mentioned. We have this in central logistics, 4.3. The central logistics branch is a corporate supplier of several goods and services to government of Alberta ministries, comprising regular and continuous contact centre services for clients, including the office of the Premier, Health, parks and protected areas, and Technology and Innovation; as well as temporary stand-up of operations to full-time, the Premier, or other priorities, including the recent affordability action plan information line – now, there's a lone worker employee safety monitoring that's also included in that – and their centralized evergreening of general-use vehicles and administration of the executive vehicles program; consistent data management; taxable benefit administration protocols for GOA employees who regularly drive general-use vehicles as well as provision of standardized GOA employee photo ID card and building access card management for several locations in the downtown Edmonton core; management of the provincial internal mail system as well as processing of all incoming and outgoing Canada Post mail; as well as centralized management of

regularly scheduled and on-demand print services, including tenant services for unique needs printing requirements. The central logistics branch aims to be a cost-neutral operation for the government of Alberta, and as I mentioned, the 310 line is, of course, in there.

You'd asked about some performance targets. The target land titles is working towards, a normal service delivery of 10 to 12 business days, will be at the end of this '23-24 fiscal year. Now, I'm going to say this in front of my officials because I won't be surprised if they underpromise and overdeliver on that one. So even though that's the target, to be under 10 to 12 days by the end of the year, I wouldn't be surprised if we overachieved on that.

With modernization complete in three years, the business plan reflects a target of five business days, and that's very exciting. Quite frankly, that is the level of service that Albertans not only deserve but are entitled to. We will be able to provide that level of service once we have a modernized system in place.

The land titles office count was 93 staff in April 2021. That's increased to 211 as of early February 2023 with the recent hiring of 51 staff through innovative expedited hiring. New LTO staff require extensive training. However, they can start processing basic documents such as property transfers and mortgages within a few weeks and build their full junior paralegal skills with trainers for 12 weeks.

Land titles has turned the corner, and the backlog has already started to reduce. We peaked just before Christmas at 84 days in late 2022, and we are now at 71 days. So we're very happy with the improvements that we've seen there, and we're going to continue to go in that same direction. With the money from Budget 2023 and the increased staff, the backlog will be eliminated this year. Exact dates depend on what the incoming volume will be this spring. So far the incoming volume has been down about 13 per cent from what we forecasted, so that slightly lower forecasted volume is translating into some assistance as well. Service Alberta and Red Tape Reduction has established a team dedicated to modernizing Alberta's registry systems and will complete this while also reviewing policy and legislation that currently creates barriers.

In terms of performance metrics – I think we covered that already, so we don't need to repeat that.

Some questions were asked about the privatization of Alberta's registry systems. Now, we remain committed to pursuing efficient ways of delivering registry services to Albertans. Registry services for Albertans need to be modern, accessible, efficient, and secure. We have always said that we owe it to Albertans to look at every possibility to improve delivery of registry services and that any proposed transaction would have to make sense for Alberta taxpayers. The process we followed has worked the way that it was supposed to.

After considering many viewpoints and exercising due diligence, Alberta's government has determined that a privatization of registry services is not the best approach at this time. Service Alberta and Red Tape Reduction has established a team dedicated to modernizing Alberta's registry systems and will complete this while also reviewing policy and legislation that currently provides barriers to system limitations.

7:50

Now, we actually had expressions of interest for a potential concession agreement back in January 2021. We had a number of proponents that had applied to that. Service Alberta and Red Tape Reduction currently uses a mix of delivery models for its five registry services: land titles, corporate, personal property, motor vehicles, and vital statistics. The land titles registry: we did look for an expression of interest on that. The due diligence was done, and

the recommendation that came back was to not proceed with privatization at this time.

Just to be clear, modernization doesn't have to translate into privatization. They're not one and the same. Albertans deserve fast and efficient service. That's what we're committed to doing. It doesn't have to be done fast and efficient through private means. It could be done through current status quo just with modernized systems. That's why we call this the modernization budget for Service Alberta.

Ten million dollars last year has come forward and has been put into this budget for this year for registries modernization. We wish that we had started on this last year, three years ago, 20 years ago, but we didn't. This is where we are now. We are committed to modernizing our registries to make them more scalable so that if we see a sudden increase, like we just did, we'll be able to respond to it. We are not looking to do what we call the big bang theory of technology implementation, and I say that as someone who has been through three enterprise resource planning software implementations. The big bang isn't always the way that you want to go. We want to proceed with this in an incremental, forward-looking – being pragmatic at all times. That's why we're budgeting to do this over the next three years. The total amount for registry modernization is \$100 million, but \$60 million of that will be for land titles over three years, and \$10 million, as you pointed out, came from last year as well.

The FOIP operations and King's Printer 2023-24 estimate is approximately \$0.9 million higher than the 2022-23 budget and is forecast due to the cost-of-living as well as general salary increases approved for eligible employees for both bargaining unit and non bargaining unit employees of the government of Alberta. It's a relatively small increase and primarily related to cost-of-living and salary increases that we're seeing.

I think I touched on it already on line 2.1, realigning business functions and efficiencies from consumer awareness and advocacy, to 2.5, registries modernization. Again, it was just a realignment of focus on modernization of registries. It was – essentially, the best way to put it is the restructuring of the budget line because of our focus on modernization. I hope that I've impressed that upon everyone here. Our number one priority is fixing that backlog at land titles.

We had a question – I knew there was one that I didn't answer – on property tax reimbursement. Now, Albertans will not have to pay any property tax penalties from the municipality. That will be covered by the government of Alberta. We have budgeted \$400,000 for that, hoping that it will come in well under that. We budgeted that because we're not going to have Albertans paying any penalties to the municipality because we couldn't get them their land title in time.

That essentially, I believe, answers the questions. Again, if I missed any, I'm sure you'll bring it up.

Thank you, Chair.

The Chair: All right.

Back over to the member.

Mr. Carson: Thank you, Madam Chair. I'm happy to take the extra time, Minister. I appreciate that, and I appreciate the answers that I received there. I think that there's one specific to line item 2.1 that we just haven't quite gotten to yet, Minister, and that is regarding the costs within this line item specific to the RTDRS's operating expenses for '22-23. Again, just the entirety of the RTDRS system, I believe, is within that line item. If it happens to not be, then you can point to where it is hosted, but I'm looking for a breakdown, specific to RTDRS, in how that system or that program is broken

down within that line item. Again, while you are looking for that, I'm hoping to find the projected cost – same question but for '23-24, so what the forecast looks like.

Madam Chair, there were a couple of other questions that I don't think we quite got the answer to, one regarding the musings about privatization of registry services. You know, from the very beginning this side of the House, this side of the table, the opposition caucus, had been quite clear, I believe, that we supported the work that registry services does, and I think, for the most part, we were quite concerned – well, not for the most part. We are entirely concerned about the idea of privatizing this. I think that from the government's own estimates it's quite clear that there is an opportunity here to provide, of course, better services than what Albertans are currently receiving from this ministry. I think that's quite clear, that there's an opportunity there, but also an opportunity for revenue generation. We said that from the very beginning.

I mean, it's one of the reasons why I signed up as an MLA, or put my name forward as an MLA, because I believe in government providing services, especially when there's opportunity to provide such vital services and see revenue on the other side of that, Minister. I don't think there's any disagreement here that this program should move forward, that there is an opportunity and a need to invest in the modernization of these services. I am personally thankful that the ministry didn't move forward with this, but I think that it's still important that Albertans have an understanding of what the cost of that process was. So if there is what I imagine to be some sort of allocated funding for the process of looking at expressions of interest – I'm hoping for cost as well, which line item that would fall under.

I do quickly, just remembering one of the points that the minister made earlier in their comments, want to touch on the mobile-home tenancies dispute resolution opportunities. I want to clarify that. At no point did I say anything about rent control, Madam Chair. It was simply a question about if they have any performance metrics regarding mobile-home sites tenancy and the addition of that within the RTDRS, if they have any key metrics that aren't included in the business plans, if they could provide some of that information, whether it be around how many Albertans who currently live in what would be considered mobile-home tenancies, if they can provide any details about that. Again, just thank you for the opportunity to clarify.

Now, going back to the two stories that I referenced earlier, from both the CBC and, I believe, the *Edmonton Journal*, it is quite interesting to hear that indeed the government is going to be covering at a cost of what was earlier explained to be \$400,000. If we could get a further breakdown of that number, how the minister came to that number. I imagine, since they have this \$400,000 figure, they can provide a breakdown of how many Albertans that is supporting. How many Albertans across the province have actually been subjected to what was about to be late fees until the government committed to – and this is, as far as I know, the first I'm hearing about that – fully covering those costs without exception?

So I'm looking for a breakdown of how many Albertans are eligible as well if the minister expects to see more or fewer Albertans next time around eligible or how long, I guess, the minister plans to carry this program forward, where people no longer have to apply, as far as I can tell. Again, I'm looking for clarification on that, if the application process has completely changed and the opportunities for people to get access to that have become much simpler. Some clarification on that.

Now, it's also quite interesting, Madam Chair, to hear that this \$10.1 million, that was previously committed in the '22-25 business plan for Service Alberta to registry transformation projects to

modernize online service delivery for land, personal property, corporate, vital event, and motor vehicle registries – that money wasn't spent, as far as I can tell from the minister's comments, as it was previously allocated in the '22-23 budget cycle, and instead that's moving forward. Maybe some clarity on that, if I misunderstood, but as far as I can tell, it sounds like a re-announcement of money that was previously allocated that wasn't spent.

8:00

Just going back to the opening remarks of the minister, I believe, along the lines of: we wish we could have done more, but we didn't have the funding allocated. But we're seeing right here, as far as I can tell, that there were certain dollars allocated that weren't spent and that have now been moved forward. So I would appreciate some clarity on that, and I apologize if I misunderstood that as well.

Just going back to FOIP with my time left, in both the 2019 and 2020 business plans for Service Alberta there were performance metrics regarding FOIP requests being completed within 60 days or less as well as a metric for percentage of FOIP requests handled without complaint to the Information and Privacy Commissioner. These metrics are no longer in the business plans. Indeed, as far as I can tell, there are no objectives related to FOIP. Access to information, of course, is an important aspect of transparency within the government, so I'm hoping to find out why the minister has decided to continue leaving these metrics out of the business plan, as the previous minister did, I believe, for potentially the last one or two years.

While there are no metrics or key objectives in relation to FOIP included in the ministry business plans this year, page 115 explains, "The ministry will continue to respect and protect the privacy of Albertans' personal information and will ensure the government is transparent through the [FOIP] Act." In this regard, since almost all details about FOIP have been removed from this year's business plans, I'm hoping the minister can explain when Albertans can expect the 2022-23 FOIP annual report. I'm hoping to have the minister detail, as it relates to the description "ensuring the government is transparent through FOIP," on page 115 of the business plan, and as it relates to the operating expenses in line 4.4 of the government estimates, how many of these access requests were processed in 30 days or less in '22-23. Of course, this is a metric that is used in the FOIP annual report.

I'm hoping the minister can confirm whether the FOIP-PIPA help desk is still administered through this ministry or if it has moved; as well, if the operating expenses are included in line 4.4 on page 195 of the government estimates. If it is indeed still within the ministry, I'm hoping to confirm how many inquiries about access and privacy have been responded to in '22-23.

Moving on to some more general questions, I believe my colleagues – well, not in this block, but we'll get some more questions from my colleagues quickly. The decision to rename the ministry, rebrand the ministry, I imagine, to some extent rebrand materials from Service Alberta to Service Alberta and Red Tape Reduction – my first question is: couldn't red tape reduction have just been included in Service Alberta without the rebranding? I'm just hoping to find out where these additional costs, if any, can be found in the budget document, which line item they are included in, how much of this line item is allocated specifically to the rebranding of Service Alberta to include red tape reduction.

With the massive expansion of the number of ministers under this new, current Premier, I imagine there's been an increased need within the ministry for services like IT support and other services. I'm hoping the minister can provide a breakdown of costs associated with the large increase of minister positions as it relates

to increased support for new staff for all of these new ministers and their staff.

Finally, the deputy minister's office has seen a significant increase in its budget this year. On line 2.1 – I think I'm going to run out of time, Madam Chair, but maybe we'll get to that.

Thank you.

The Chair: Forty-six seconds to the minister.

Mr. Nally: Thank you for the gift.

Mr. Nielsen: Come on. You can do it.

Mr. Nally: Same as before, just a little bit louder.

On the property tax \$400,000 in supports is what we spent last year, is what we're budgeting this year. There were 1,351 applications to date for Albertans that have received a penalty on their property taxes. Again, we're committed to: no Albertan should have to pay a fee because they got their land title back late. The amount of applications was 1,351.

The RTDRS in . . .

The Chair: Thank you, Minister.

We'll now head over to the government side. Go ahead.

Mr. Long: Okay. Do you prefer back and forth or block time?

Mr. Nally: Sure. Just go back and forth.

Mr. Long: Okay. Thank you. Well, thank you, Minister and staff and office staff. I just really appreciate you guys taking the time tonight to be with us and to answer some of the questions that are important to our constituents and people around the province.

You know, I sort of reflect every once in a while on what we've seen over the last three and a half years. I remember that part of our election campaign was around reducing red tape and how much it costs Albertans and Alberta businesses, whether that be financially or in frustration with red tape burden. I know that there've been a number of times where we've heard folks in opposition that aren't even sure what we mean by red tape. In the last three and a half years I can't even count how many conversations I've had with Albertans where they know what red tape is. It's where government just needlessly steps in and has burdens that aren't necessary. And I understand that as we reduce regulatory burden, it can be a delicate balancing act of reducing that burden while ensuring that necessary protections are in place. So I do thank you and your ministry for considering the need to reduce red tape but to maintain those protections that we need for businesses, for Albertans, for nonprofits, and the like.

With that, I think it's exciting for me and for Albertans to recognize that we have done a lot of reduction on the red tape front, to the point that we now have been recognized for it for two years in a row as being an A grade in reducing red tape. I know you've been in this ministry for a short time, but I know that in your previous role in government you were playing a large role in reducing red tape across the board, so thank you for your contributions in that.

Now, that said, line item 3.1 in your operating expense actually sees a minor increase in funding to red tape reduction from \$1.6 million to \$1.7 million. I'm sort of curious: what are some of the main initiatives that will be supported through this budget, and what types of expenses are supported by that \$1.7 million?

Mr. Nally: I appreciate that, and thank you, MLA Long, for the question. It's funny. We often have to – you know, we find ourselves justifying this approach, but I can tell you that it's

working. In my previous role I was the associate minister of natural gas and electricity, and I went on trade missions to Asia. Our message was simple: we have the lowest corporate taxes in Canada – we're cheaper than 44 U.S. states – our taxes are on par with Louisiana and Texas, we are a business-friendly environment that has reduced red tape. The examples that I give them are the designated industrial zones that help us get to "yes" sooner.

All of that doesn't mean that we don't care about the environment, because I have children, and I hope to some day have grandchildren, and I want them to have clean air and clean water. So we're not against regulation; we just want it to be responsible regulation. We owe it to the citizens of Alberta to have responsible regulation that protects the land and water, but we also owe it to the job creators to make sure that we don't have burdensome regulation. Unfortunately, there has been regulatory creep in this province, so we have gone down a path of reducing red tape. We've actually eliminated 36 per cent of the red tape since we came to government. That's 36 per cent of the red tape that we inherited, but we recognize that we brought forward some programs, so the net red tape reduction is 30 per cent.

8:10

We continue to modernize the way that we regulate by shifting the culture across government, to regulate only when necessary and with the lightest touch while ensuring we continue to maintain important health, safety, and environmental protections for Albertans but focusing on outcomes rather than highly prescribed rules and requirements. We continue to improve government service delivery, provide greater flexibility to innovate, and make it easier for job creators to grow their business. We in Alberta have 12 per cent of the population, yet in the last year we've created a quarter of the jobs in this country that were new jobs in the last year. That's because of our business-friendly environment. So we know this approach is working.

We continue to implement recommendations from Albertans and private-sector experts from the nine red tape reduction industry panels focusing on high-impact, transformational changes that drive economic growth and job creation. To date about 160 of the panel's recommendations have been implemented, and this is key because these are often not red tape reduction efforts from myself or any of the other ministers. These are from industry experts. These are from Albertans. They have submitted these recommendations. Over 100 additional initiatives to reduce red tape are under way or planned for 2023, of which 81 are directly informed by industry panel recommendations.

Mr. Long: Thank you, Minister.

Again, I've chatted with a lot of folks around the red tape reduction that we are working towards. You know, from the business community it's one thing, but hearing from nonprofits and volunteer groups around some of the red tape that they face and in particular around the Alberta gaming and liquor commission licences, the long wait times, and some of the issues that people face there – when it comes to the nonprofits and volunteer groups, it sort of raises me up a little bit, and it does sort of impact our communities in a different way than just issues with straight-up businesses. I'm just curious if you could speak about any specific changes in red tape reduction initiatives that will streamline the process for AGLC licence applications.

Mr. Nally: Yeah. I appreciate that, and, like you, MLA Long, I value the contributions from our nonprofits. I know they provide a real value to this province, and it's something that I think we need to support. The reality is that as the Minister of Service Alberta and

Red Tape Reduction I will be the one that brings forward the red tape reduction. I will own the process of red tape reduction, but ultimately it's the ministers that will be responsible for implementing it. So while I hate passing the buck, this is probably best asked to Treasury Board and Finance because that ministry, that oversees matters related to the AGLC – and I know that red tape reduction is very important to the Minister of TBF and to AGLC. In fact, TBF and AGLC have made significant progress in reducing the number of regulatory requirements they're responsible for as well as many practical changes that have reduced the red tape placed on businesses.

However, there are always opportunities to continue to improve, and a big part of RTR is listening to the concerns raised by Albertans, Alberta businesses, MLAs and making sure that these concerns are raised to the appropriate minister. For example, almost 160 of implemented RTR initiatives have come directly from the red tape reduction industry panels, with another 80 or so of the recommendations expected to be implemented in the near future. Once these ideas and concerns have been raised, the red tape reduction team as well as myself then follow up with ministers to see if and how these concerns can be addressed. As such, I would be very interested to get more information on this issue and specific examples that better allow us to engage with the Minister of TBF.

I will say this, that I am aligned with you in the desire to support these nonprofits, and I can also say that the Minister of TBF is as well, so I'm confident that as we go down this path of red tape reduction in 2023 – I'm going to forecast that we're going to see some improvements to their red tape reduction numbers, for sure.

Mr. Long: Thank you for that, Minister.

I'm just going to change things up a little bit here if that's okay, specifically to procurement services, if I may. I'm aware that purchasing of goods and information technology supplies is centralized through procurement services and, on page 195 of the estimates, that the operation expenses for line item 4.1 have quite a significant increase, you know, from \$3.8 million in the budget last year and \$5.8 million in the forecast to a forecast at \$12.7 million this year. I do know that we've recently announced plans to establish a hybrid centralized procurement council to streamline the purchasing processes. I'm wondering how much of this funding is actually being allocated towards the procurement council, if any, and if you can provide information on the necessity for the transition in the procurement process. So just some insight on the status of this initiative and when the council will be instituted.

Mr. Nally: Yeah. Thank you for that question. In 2023-24 Service Alberta and Red Tape Reduction will invest \$350,000 to establish a procurement council to work with industry to improve the government's procurement process with a focus on reducing administrative burden and costs for business. Work is under way with the parliamentary secretary for procurement, David Hanson, to continue to act on the MacKinnon panel's recommendations by forming a procurement council to provide a regular forum for conducting ongoing dialogue among representatives from major procurement industries and industry organizations whose members supply goods, consulting services as well as construction services.

We've seen many marketplace disruptions over COVID, and this has highlighted the need for our government to work closely with industry to ensure Alberta's economy continues to recover postpandemic. The government of Alberta needs to modernize its procurement practices through category management to continue delivering timely and cost-effective services that Albertans can count on.

Mr. Long: I was just making sure that wasn't a temporary pause.

Mr. Nally: Sorry. That did look like a pause. It wasn't a pause. Thank you.

Mr. Long: I've done those a few times myself. Thank you, Minister.

I'm aware that some stakeholders have raised concerns about the potential impact, actually, on small and local businesses of the procurement process. You know, some argue that a centralized approach may favour larger and more established vendors and make it more difficult for smaller suppliers to compete. I'm just curious how your ministry is consulting and collaborating with industry groups to ensure that the council's policies and procedures are inclusive and fair.

Mr. Nally: Yeah. Thank you, MLA Long, for that. I share your concerns. We don't want this to be a process that just benefits one demographic of vendors. I've heard your concerns. I've also heard that current processes can sometimes penalize new vendors as well. So I have made it clear to my officials that I would like to have a procurement process that is not skewed one way or the other, whether it's a large or small vendor or whether it's a new vendor or one that's been around.

In 2023-24 Service Alberta and Red Tape Reduction will invest \$350,000 to establish a procurement council to work with industry to improve the government's procurement process with a focus on reducing administrative burden and costs for businesses. As I mentioned, Parliamentary Secretary David Hanson is continuing to work on the MacKinnon panel recommendations by forming that procurement council to provide a regular forum for conducting ongoing dialogue among representatives.

Now, we're currently working on developing and finalizing the scope and priorities of the procurement council, and we'll be engaging with key stakeholders as appropriate. By implementing a centralized approach, the GOA will reduce administrative efforts and create transparency for suppliers, enabling suppliers to plan strategically for the GOA contracts. This approach will create new opportunities for small organizations to conduct business with government.

Mr. Long: Thank you, Minister.

I'd like to pass on my remaining time to one of my colleagues.

Ms Armstrong-Homeniuk: Thank you, Chair, through you, to the minister. Are we going to go back and forth, or are we going to do block?

Mr. Nally: Yeah. Let's just go back and forth. It seems to be working.

Ms Armstrong-Homeniuk: Okay. First of all, Minister, I'd like to thank you for the fact that you actually are an amazing advocate for your constituency, and I'm really glad that you are my neighbour constituencywise. You're a great asset to the area and to all of Alberta.

Mr. Nally: Thank you. I appreciate that, and I love sharing a border with you as well.

Ms Armstrong-Homeniuk: Yes. Thank you.

Page 115 of the ministry business plan talks about having a stable, reliable, and accurate registry system. Albertans have been calling for more modernized registries that deliver more online services, and this will be challenging for me because I'm not great online. Since the pandemic we saw a large amount of people move

to using the Internet to access registry services rather than physically go to the registry building, which increased the need to modernize our systems and how services are delivered.

8:20

I'm happy to see that this government has made it possible for Albertans to access home registry services from the comfort of their own home. Line item 2.5 of the government estimates, page 195, lists new funding allocated for the registries modernization program. I see that there are \$7.3 million in operating expenses and \$28.6 million in capital investments allocated in this budget towards the registries modernization. First, I want to talk about the new operating expense of \$7.3 million towards modernizing registries. Minister, can you elaborate on: how will this funding be used, and what is the money going towards?

Mr. Nally: Well, Budget 2023 ensures Service Alberta and Red Tape Reduction will continue supporting investment and job creation while helping Albertans navigate their day-to-day lives. By investing in modernization, we can speed up processing times, keep up with technology in the industry, and better handle greater volumes. Modernizing registry systems is a large, complex endeavour, and the resources required to ensure minimal impact to Albertans should not be underestimated in this process. Due to the importance of this initiative and the increase in capital investment we have created a new line in the estimates to track the operational expenses associated with the program. These costs were on the estimates under consumer protections previously. An additional \$6 million has been added for a dedicated team to support the modernization efforts.

Ms Armstrong-Homeniuk: Thank you, Minister.

Chair, through you to the minister: can you give us an update on this new program and how it will help Albertans and alleviate the delays that they are experiencing with our registries? And could you also answer: what specific challenges or inefficiencies with the current registry system are being addressed through the modernization?

Mr. Nally: Okay. Thank you for that question. My department is working hard to provide convenient and efficient registry services to Albertans. The systems that support these services are at the end of their useful lifespan and need to be replaced. Since the systems were launched in 1984 – again, I think that was pre-Internet – we have made many improvements to accommodate legislation policy and program changes and consumer needs, but the reality is that both land titles and motor vehicles are very old systems that need to be replaced within the next few years. Budget 2023 ensures Service Alberta and Red Tape Reduction will continue supporting investment and job creation while helping Albertans navigate their day-to-day lives.

We are hiring more staff in the land titles office to eliminate the backlog and investing nearly \$60 million over three years to modernize the outdated systems. By investing in modernization, we can speed up processing times, keep up with technology in the industry, and better handle greater volumes. Getting processing times back to normal in the land titles office is my number one priority. Some solutions like the pending registration queue and a process to expedite newly constructed condominium registrations are already in place. We're also reviewing high error rates found in client submissions, which take up to three times as much staff time to process. We will be working with clients to help reduce the incoming error rates, which will increase staff capacity and speed up processing times.

We are committed to incorporating digital innovation in our systems going forward as well as examining our business processes to reduce unnecessary steps in a modern era. This work is ongoing.

Ms Armstrong-Homeniuk: Thank you, Minister, for providing those great examples.

Chair, through you to the minister, I see on page 115 of the ministry business plan that your ministry focuses on protecting Albertans and businesses in an increasingly complex and challenging economic and social environment. I also see that it focuses on leading, co-ordinating, tracking, and reporting on red tape reduction efforts across the government of Alberta to eliminate unnecessary regulatory burden on businesses and Albertans. Our government has achieved great results on reducing red tape to support Albertans and get the government out of the way of business. Minister, how is Service Alberta and Red Tape Reduction planning to continue to support Alberta's economic recovery?

Mr. Nally: Thank you. Service Alberta and Red Tape Reduction is making significant efforts to achieve one-third reductions for both short-term and long-term RTR projects. We are currently undertaking an additional review of policies and forms under the responsibility of the organization. For example, the motor vehicles and registries administration, MVRA, is anticipating further reductions as they commence a second phase of review of motor vehicle policy and forms. Since the review has not been started, counts reduction are to be determined. MVRA will also commence a review of all items deemed out of scope due to regulatory or system changes required.

We are focusing on some long-term RTR projects. Registries modernization, motor vehicles and land titles, is a multiyear RTR project which will establish registry services that are human centric and sustainable. A modernized registry system will mean a better customer experience, increased accessibility through online and mobile solutions, reduced error rates, and rework faster responsiveness and ongoing improvement.

Ms Armstrong-Homeniuk: Thank you, Minister.

I see we have just a few minutes left here. I just was going to say: have you a rough figure of how much the red tape reduction program has saved Albertans and businesses?

Mr. Nally: Yeah, thank you for that question. We've saved \$2.1 billion.

Ms Armstrong-Homeniuk: Two point one – sorry?

Mr. Nally: Two point one billion dollars.

Ms Armstrong-Homeniuk: Awesome. Okay. Thank you very much.

The Chair: Thank you so much, Member.

We'll head back over to the Official Opposition.

Ms Hoffman: Thank you very much, Madam Chair. Through you to the minister: is he willing to share time as he just did with government members?

Mr. Nally: Let's stay with the block time; it seems to be working well.

Ms Hoffman: All righty, then. I'll begin by asking about business plan key objective 1.2. Actually, it's probably more related to 2.1, around leading government's red tape reduction efforts to improve

service delivery and remove unnecessary regulatory and administrative burden on Albertans and businesses.

I will say that I have heard a number of Albertans raise with me, personally and directly, their concerns around the onerous red tape that's involved with the affordability payments. I know that through this ministry there was an initiative through the registry offices to make it possible for people to go in and actually see somebody in person, and that's a privatized position: mostly women, many newcomer women, often racialized, trying to answer for the government's cumbersome process when it comes to applying for the affordability payments.

Earlier this session in the House it was noted that – well, it's been known for a long time that only about half of Albertans are even eligible for any kind of affordability payment, and then within that only about half have received any kind of payment so far. Last week when I attended an event that I know all of us were invited to, an event by the Association of Alberta Registry Agents, they raised for me, these women in particular, how frustrated they are that when people come into their offices to receive help with the application process, if they've already opened an application, which many have – they've stayed at home, tried online, like members have said. Not everyone is super confident online with these application processes. They've tried online to apply, they hit roadblocks, they haven't received payments, they go in in person, and the registry agent isn't able to edit the application. There is no edit button for registry agents to be able to advocate on those folks' behalf to be able to receive their payments. Often they will try to reapply, but then the applicant will receive a notice that they've been rejected because there is already an open application that they haven't met the criteria for because they weren't able to edit their application.

So, Minister, I will say that the registry agents, on behalf of the folks they've been trying to help as well as many of the folks who've reached out to me saying that they're hitting roadblocks in terms of accessing the affordability payments, are incredibly frustrated. I would say that in terms of leading government's red tape reduction, they feel that significant red tape has been added to the work that they're doing to try to receive just a little bit of relief in this incredibly difficult time. Of course, we know that the government's payments are set to expire, you know, almost all of them, within a month of the next election, so time is of the essence. They certainly feel frustrated and like they've been hitting roadblocks. I would say that that is probably the first question I wanted to ask.

The second question will relate to the fiscal plan, page 161. I see that your department is seeing an increase of 118 full-time equivalent employees. That is the, I believe, third-largest increase to any government department anywhere. That seems like – you know, a number of people have raised this as an area of intrigue for me, and I think it would be important to answer to this committee and all about why such a significant increase in terms of staffing in this department, the third-largest staffing increase.

And then the last question is: knowing now that the cabinet has been expanded significantly and that ministers receive fleet vehicles and that the fleet vehicle program is overseen by the minister of Service Alberta, can the minister give a breakdown of how the fleet program has increased in terms of cost this year compared to previous years? What is the cost of operating the fleet vehicle program compared to all of the previous years under this government's term? And if the public service has information for one or two years under the previous government, that might also be of interest for all of us.

I see that I have a little over a minute left, and I'll share that time with my colleague.

Mr. Nielsen: Thank you, Madam Chair. I suppose, alas, since I'm a new speaker, if the minister would be comfortable with going back and forth.

The Chair: Sorry. It's already decided at the beginning of the exchange.

Mr. Nielsen: Oh, I wasn't sure. It sounded like we had to keep asking every time we . . .

The Chair: No. Please proceed with your question.

8:30

Mr. Nielsen: Yeah. I appreciate that. Minister, maybe I'll just quickly throw in, with the time that I have here, around the procurement council. Not necessarily a bad idea, you know, making sure that we're getting good value for the money, but based on the history of councils and appointments to boards, agencies, commissions, and things like that, I'm curious who the government will be thinking about appointing to this council. What kind of planned criteria would there be for the members that would be eligible to sit on this? Certainly, the reason I'm asking – our recent experience with the Health Advocate: so many qualifications that it was absolutely impossible for somebody to qualify for all of that and therefore there was a bit of a partisan appointment there. I'm curious what this council will look like.

The Chair: Over to the minister.

Mr. Nally: Thank you. I appreciate the questions. You started off the conversation on the onerous red tape, and I would push back a little bit in terms of the – I'm not hearing that with the affordability payments there was red tape but more of some issues regarding the edit button. I'll just qualify that, and I'll go into a little bit of detail, but this is really a question for Technology and Innovation because they were the ones that had designed this. Essentially, if people came in, either through the portal or through registries, and they signed up for the affordability payments, as long as, you know, they had accurate banking information, I mean, there were no issues. This was for people who submitted incorrect banking information, and there was a problem with the edit function. I'm happy to say that the edit function on the home application is now available, and it's working for the registry and – sorry; for the home application it is available. We're still working on it for the registry portal, but it will be coming soon.

On the employees – and I will give you a shout-out. I didn't realize that we have the third-highest employment increase in the government, but it does show you that our focus is on land titles. When the Premier asked me to be the Minister of Service Alberta and Red Tape Reduction, she made it quite clear to me that the number one priority that I have is to fix the backlog at land titles, and we are leaving nothing on the table. Quite frankly, we have hundreds of millions of dollars of investment that come through land titles on a daily basis, and to have the backlog of 84 days is just unacceptable. What we are getting for that is 118 full-time employees, 110 for land titles. That will help us get through that backlog so that we can achieve our goal of being under the 10 to 12 days time frame by the end of the year.

And then we're also going to be hiring eight more for the Ukrainian helpline. We want to have a helpline that is geared for the Ukrainians that are coming over. This is something that – I'll give a shout-out to MLA Armstrong-Homeniuk for this one. Through her leadership we have drawn a line in the sand, and we have said that we are going to be compassionate partners for this community, and we are going to embrace them and support them as

much as we can. We recognize that there are challenges. I mean, I can only imagine the fear of, you know, having to cross an ocean, go to a new continent and language that you may or may not speak, and have to apply for a driver's licence and everything else. It could be quite overwhelming, so we want to be as supportive as possible. We want to have that Ukrainian helpline, that is going to be available to assist our newcomers.

There was a question about fleet. Generally speaking, \$12 million is allocated to the general fleet. About \$1 million is allocated to the executive fleet. So the total amount of fleet vehicles that we have in government: 1,800, I believe, is the number. A small portion of that is the executive fleet. Individual ministries are responsible for paying the operational costs of the vehicles that are assigned to them, and therefore costs vary greatly. In the 2022-23 fiscal year the total operational vehicle cost to date for the general fleet is \$14 million, and this is broken down as \$8 million in fuel costs and \$6 million in maintenance repairs and telematics costs. We can find that on line 4.3 and the capital of \$12.8 million as well.

Oh, I received some questions on the procurement council, and this is a tough one. MLA Hanson is of course doing that work now, leading the procurement council. This came from the recommendation from the MacKinnon report, that gave us some good advice on how to move forward in various areas crossministry, so MLA Hanson is doing that work. Quite frankly, you're on page 10 on that one and we're still on page 1. We're just starting that process. Who the intention is to be on this procurement council is other people in the procurement industry, companies that actually will be purchasing things through government, anyone in this industry that is a self-identified expert. We want small business; we want large business. We're trying to cast the net wide to get as many people onto this procurement council as possible so that we could learn.

The Chair: Thank you so much, Minister.

Now we'll head back to the government side.

Ms Armstrong-Homeniuk: Thank you, Chair, through you to the minister. First of all, Minister, I want to thank you for all the work you have done for the Ukrainian community with the helpline, translation of documents online. It has made the world of difference for the newcomers. They're not always able to find a translator, so this is fantastic, and thank you very much for that.

Minister, I know you're very thorough and engaged with all your stakeholders, so how do you engage with industry stakeholders to identify areas of red tape that can be eliminated or reduced?

Mr. Nally: Thank you for that question. In terms of how we intend to engage, similar to what I said regarding the procurement council, we're going to cast the net wide, and we're going to engage with as many Albertans as we can on these types of things. Specifically, we've got a number of industry panels, and, you know, some of those are chemical manufacturing and industrial manufacturing, oil and gas, small business, and a number of different industry councils that we're using to help us identify red tape opportunity ideas.

By the way, one of the ones that we talked about earlier was not-for-profit and the important role they play. This was one of the successes. I couldn't have been more proud of the job that council did, because I believe that we ended up implementing, if I'm not mistaken, 15 out of the 16 recommendations that were brought forward by the nonprofits. There was only one that we didn't get accomplished, and that's going to be completed in 2023. So that is an example of one of the industry panels that has done an absolutely terrific job.

Now, since 2019 the government has completed more than 575 RTR initiatives, saving Albertans and Alberta businesses \$2.1 billion; 156 of these were directly informed by recommendations from the nine industry panels representing Alberta's key economic sectors, that I had just previously mentioned.

Ms Armstrong-Homeniuk: Thank you, Minister.

Chair, if it's all right with you, I'd like to cede my time to my colleague the hon. Tanya Fir.

The Chair: Please proceed, Member.

Ms Fir: Thank you, Chair, through you to the minister. Thank you for the fantastic work that you and your team are doing in Service Alberta and Red Tape Reduction. Many of us that came into politics from the private sector were probably warned coming in about: government works a little bit differently than the private sector. I think there are many things government does extraordinarily well but many areas where they could improve, and I think red tape reduction does great work through that, particularly through the industry panels and getting feedback directly from those in the know. So thanks for the great work your team is doing.

I think I want to ask some questions around the residential tenancy dispute resolution service. I'm aware that the residential tenancy dispute resolution service – say that five times fast – is an important system that helps tenants and landlords resolve disputes over their tenancy agreements in a timely and fair fashion. The service does play a really crucial role in ensuring that both parties can resolve conflicts without the need for expensive and time-consuming court proceedings. So when it comes to handling urgent tenancy disputes such as disputes over eviction notices or repairs required for property or disputes over deposits, the system needs to perform at a high level to ensure that tenants are not left without proper housing and landlords are not unfairly impacted by those disputes. It has to be able to work for both landlords and tenants.

8:40

We all know someone who has experienced a tenancy issue. The department's performance in handling these disputes is critical in maintaining public trust in the RTDRS and ensuring that the needs of both, again, landlords and tenants are met in a timely and satisfactory and fair manner. I see on page 118 of the ministry business plan that during 2022-2023 only 41 per cent of urgent tenancy applications were heard within the established 15-day timeline. I'm hoping the ministry could explain some of the reasons why this percentage was so low.

Mr. Nally: Sure. Thank you for the question. I just want to go back – and I appreciate your earlier comments about the great work that's happening in RTR. The reality is that I get the honour of carrying the mantle across the finish line, but it was the heavy lifting that you did when you were in that role, so I thank you for that work. Certainly, you led that charge, along with Grant Hunter, and did some amazing work.

Your point on RTDRS is bang on. You know, it's something that we were not hitting our performance targets on. I'm happy to say that once again we are meeting the performance targets on RTDRS. The government responded to the surge in demand for residential tenancy dispute resolution by increasing the number of staff this fiscal year. This increase in resources, accompanied by a modified scheduling strategy to increase efficiency, has meant that RTDRS has been achieving its performance targets since November 2022. With these important changes, it is expected the RTDRS will be meeting its performance targets for the foreseeable future as well.

Ms Fir: Thank you, Minister, and thank you for those comments. But as you mentioned as well, you say that you got to take it over from me; well, I got to take it over from the hon. MLA Grant Hunter, who did the challenging work of setting up the ministry, setting up the panel, setting up the methodology along with the great work of his team and the government departments. So I, too, got to take over from some excellent work that was done before me.

Back to the residential tenancy dispute resolution service. I also see that this year's target is 85 per cent, which is significantly higher than last year's actual performance. Can you speak to a little bit of what your ministry is doing to complete more tenancy dispute resolutions this year?

Mr. Nally: Sure. Yeah. Thank you for that. It comes down to some of the efficiencies that we've done by allowing our meetings to happen virtually, which allows for more efficiencies, and, of course, hiring new people as well. We recognize that, you know, these are Albertans that are hurting when they're having some of these issues. Many of them are vulnerable, so we need to be able to respond in a timely fashion. That's why we put many of those process improvements in place in addition to the new hiring, so that we can achieve our performance objective and never have a problem achieving it again. That's the standard we've really set for ourselves, to never get in trouble in this area again. We need to always be able to deliver on this metric.

Ms Fir: Excellent. I'd like to shift over to talking a little bit about audit and investigations. I see on page 194 of the government estimates, line item 3.2, that your ministry undertakes audit and investigation services that protect Albertans and the integrity of government services provided to Albertans. I also see, on page 195 of the estimates, that the operating expense for audit and investigations has a slight increase, from \$7.4 million to \$7.9 million. Can you elaborate a little bit on what kind of audit investigation services your ministry provides and where this funding is going towards?

Mr. Nally: Yeah. Thank you for that. This is some important work, that we're very proud of. Alberta's government is committed to ensuring that consumers are treated fairly and ethically in the marketplace. This small budget increase will help ensure that staffing levels needed to do this work can be maintained. It's the government's job to protect Albertans from being taken advantage of, and we want Albertans to know that we have their backs. The Consumer Protection Act prohibits businesses from charging a price that grossly exceeds the price of a similar good or service without informing the consumer of the difference and the reason for that difference. Now, I should say that consumers can report suspected unfair practices, including pricing without explanation on grocery items that grossly exceed the price for a similar item, to the Report a Rip Off line at 1.877.427.4088 or file a consumer complaint online at alberta.ca.

Service Alberta and Red Tape Reduction protects Albertans through investigation of potential violations of consumer protection and tenancy laws. Businesses found guilty can be fined by the courts up to \$300,000 or receive up to two years of jail time. Later this year the Competition Bureau of Canada will release a report from its investigation into grocery price fixing, conducted between October and December of last year, and we look forward to receiving that report and acting accordingly.

The special investigation unit and the compliance and audit branch help protect and ensure the integrity of government registries, Student Aid, and doctor billing systems through both protective audits as well as the investigation of potentially illegal

activities. For example, both Advanced Education and Health sent out cases of fraudulent activity for further investigation. Charges can then be laid towards these individuals, as we just recently saw with respect to one Edmonton doctor in 2022 that had overbilled to the tune of millions of dollars.

The investigation unit also provides services to motor vehicles to ensure the integrity of the Alberta driver's licence and ID card. I have to say that I went for a tour of this unit, and it's amazing. They are a special investigative unit with some pretty incredible tools at their disposal to get this job done. One of them, of course, is facial-recognition software and other forensic types of tools, and I was actually quite surprised . . .

The Chair: Thank you so much, Minister.
Back to the Official Opposition.

Mr. Nielsen: One last college try: if we can go back and forth?

Mr. Nally: Let's keep it the way it is. It seems to be working.

Mr. Nielsen: And here I thought being a neighbour with the minister would give me an in.

The Chair: Please proceed, Member, with your question.

Mr. Nielsen: Anyway, it's so great to see that we've been talking about red tape. I don't think that we've talked about red tape at committees across the entire term more than we have here this evening, which, you know, obviously has been a major focus for the government since 2019. It was mentioned throughout every business plan, for every ministry, including targets and metrics. This ministry, of course, was originally projected to spend somewhere between \$10 million and \$12 million of taxpayer dollars over the course of the 30th Legislature, and now here we are in 2023; it's on its third minister. And as I look across the business plans for each ministry, there are only a handful that barely make mention of the words "red tape." I'm hearing about all this pride around red tape reduction, yet we seem to have almost abandoned it, so I'm just wondering why that is, Minister.

Also, in reference, on page 118 here, with the \$2 million: I know there was a lot of posturing by the former Premier and the former red tape minister about interprovincial red tape. We all know that Alberta dropped several regulations around trade, and, you know – I'll just paraphrase very quickly here – hopes that other provinces will do the same. I've had many discussions and consultations over time; for example, with the Alberta craft beer industry, who say that they can't get into, for instance, the Ontario market in the same way that Ontario producers can gain access to the Alberta market. I'm just wondering if there's been any progress with regard to other provinces reducing their red tape to kind of level that playing field, or are we still just kind of hoping and praying that our producers will get a chance here rather than having everybody else come into Alberta and eat their lunch?

A quick reference to outcome 2 on page 117 of your '23 business plan, in 2.1: lead government red tape reduction efforts to improve service delivery, remove unnecessary regulatory administrative burdens on Alberta and businesses. I'm just kind of wondering. One of the red tape reduction efforts was the removal of this 1976 coal policy, which did cause a massive uproar with Albertans across the province, and now, as the newest minister assigned to red tape, how are you ensuring that another fiasco like this never occurs again when it comes to removing of old regulations? Are you leading these efforts, or are you simply being directed out of the Premier's office?

In reference to outcome 2 again, in 2.2, one clear example of red tape found during the height of the pandemic: when business owners were trying to access government funds but were denied because they used the wrong browser while applying. Again, as the new minister of red tape, are you ensuring that this never happens again, and are you directing other ministries to check with you on such matters before they make changes?

And then one final quick question before I pass it over to my colleague MLA Carson. I'm just kind of curious about what appears to be a brand new objective of red tape on page 195 of the government estimates under section 3, specifically 3.2, audit and investigations. This line item has a projected budget of \$7.9 million. This would be a significant increase in the budget for red tape, by approximately 75 per cent, all in one shot. What kind of red tape audits and investigations are taking place, and are they due to any other hastily removed regulations?

8:50

Then, finally, around some of the removal of regulations by the former environment minister under the guise of red tape, with reference to the incident at Kearl Lake, I'm wondering what efforts you are undertaking to ensure that a disaster like this never occurs again when it comes to red tape and environmental protections.

Chair, I will pass it over to MLA Carson.

Mr. Carson: Thank you, Madam Chair. With all of my time left here, I would like to get back to a question I've asked twice now. Line item 2.1 on page 195 regarding the operating expenses specific to the RTDRS: I'm hoping the minister is able to provide that for the '22-23 year as well as the projected cost for the '23-24 year.

Going back to the covering of – oh, I'm going to run out of time. Well, it was a nice try anyway, Madam Chair. Thank you.

The Chair: To the minister.

Mr. Nally: How much time do we have? Five minutes?

The Chair: Four minutes, 44 seconds.

Mr. Nally: Thank you, Chair, and thank you to the members opposite for the questions. I'll just talk about the Imperial Oil issue. That's something that's a regulatory matter in front of the regulator. It's not appropriate, as a member of Executive Council, that I comment on that, so I'm going to leave that one there.

I also wanted to deal, very quickly, with 3.1 and 3.2, which are two separate items. We have 3.1, red tape reduction, and there is a small cost-of-living and general salary increases for approved eligible employees from both bargaining unit and non bargaining unit employees. Line 3.2 is audit and investigations, completely separate, and again a small increase to cover cost-of-living and general salary increases, which were approved for eligible employees for both bargaining unit and non bargaining unit employees of the GOA.

In terms of the red tape reduction, in the business plan – I said that I was surprised by your comments. I can assure you as the Minister of Service Alberta and Red Tape Reduction that I am responsible for red tape reduction, and it is alive and well in our government. That has not changed, nor is it going to change. In fact, I believe it's in every ministry's mandate letter, as I recall, but please correct me if I'm wrong. We received an A minus, and this A minus was the only A in the country. It was the highest mark in the country, and it is a result of the incredible efforts of everyone across government that contributed to all the red tape reduction initiatives.

I mentioned it before. At every trade mission that I've gone on, the message is the same. We've reduced corporate taxes, we've cut red tape, we have a business-friendly environment, and we're open for business. The example that I give them is the designated industrial zones, because one of the challenges in many jurisdictions is water approvals. We have a pilot right now in the Industrial Heartland where the first three water approvals are already done and taken care of so that it's easier for a company that is coming to build, let's say, a petrochemical facility. They don't have to start in the early days, at the beginning, to get a water licence. That's all been done for them. It's those kinds of things that will help them get to yes sooner, and that is contributing to the \$2.1 billion that we've saved job creators since coming to government.

I just want to say that red tape reduction is alive and well at the GOA. We have eliminated a net 30 per cent reduction of the red tape, and we will get to 33 per cent by the end of 2023. The conversation that we're having now is: what happens when we hit 33 per cent by the end of the year? Do we do a stretch target of another 10 per cent? Do we make it more outcomes based? – and we are starting to see in other jurisdictions that they are focusing on more of an outcomes-based approach – or do we have a hybrid and have both? You know, we haven't decided. Certainly, we'd love some feedback from you on that, what you'd like to see. All I can tell you is that we are as committed now as ever to reducing the unnecessary regulatory burden that exists in this province so that we can help job creators create jobs for Albertans, because ultimately that's the win for everybody.

There was an example of the Alberta craft beer industry and interprovincial trade in general. On this one I will just say that we believe in free trade. We know that it is through increased competition and more choice for our markets that we are going to create investment and stimulate the economy and create jobs. Listen, you know, we have always said that Alberta leads and that the rest of Canada follows. That is probably no more true than in the case of interprovincial trade. We want to bring down all trade barriers interprovincially. It's unacceptable that it's easier to trade north-south than it is west-east.

We want to bring down those trade barriers, and it means we have to be bold and lead first. We're prepared to do that, and I think that you're seeing that in some of our policies. We do have some issues with B.C., for example. They just won't allocate enough shelf space for our spirits, so we have to work with those jurisdictions to get Alberta products on the shelves in other provinces. But, for sure, we are not afraid to be bold and to lead, so the rest of the country can follow us and the path that we're taking.

The RTDRS was about 3 million . . .

The Chair: Thank you so much, Minister.

We're going to head back over to the government caucus side for three minutes and 11 seconds. Please proceed, Member. Member Fir, are you speaking?

Ms Fir: Sorry. No. I passed it over to MLA Yaseen.

Mr. Yaseen: Thank you, Madam Chair. Can I go back and forth with the minister?

Mr. Nally: Let's try that. It's just worked, so let's keep going.

Mr. Yaseen: Thank you very much, Minister, for the work that you have done and your predecessors have done on this file and the support that you've gotten from people beside and behind you. I will directly get into my questions because there is a preamble

about this. This is about land titles, and the preamble is not so good.

I will just take you to line item 2.2 of the operating expense for programs in the Department of Service Alberta and Red Tape Reduction section of the budget. It shows that the ministry has allocated an additional \$2.55 million in operating expenses to land titles, your favourite subject. Can you comment in detail about where the funding is going and how it is going to improve the backlog? What are your plans for further reduction of turnaround times for land titles in the coming year? What are your targets for this year?

How much of the land titles backlog has the department managed to clear through already? How many full-time equivalents, FTEs, do we have in the department specifically focused on reducing backlog? Finally, are there any plans to further increase staffing levels dedicated to the land title registration process to help speed up the turnaround time? How is this reflected in this current budget?

Mr. Nally: Thank you, MLA. I appreciate the questions, and you're absolutely right. I've got predecessors in this role that did a bang-up job, and you also commented on the officials as well. As many of us in this room know, their goal is to provide fearless advice and then have flawless execution, all the while doing it while being invisible in the background. They hate to get accolades for the great

work that they do, but certainly we all in this room do appreciate it. Thank you for recognizing that; I appreciate it.

The money from Budget 2023 and the increased staff will allow the backlog to be eliminated this year. Exact dates depend on what the incoming volume will be this spring. The funding will be primarily used for staffing, and actions have already been taken to see results. The land titles office full-time equivalent count was 93 staff in April 2021 and has increased by 110 today, more than double. Funding is also going to support long-term solutions. Service Alberta and Red Tape Reduction has established a team dedicated to modernizing Alberta's registry systems and will complete this while also reviewing policy and legislation that currently creates barriers.

We are applying a multipronged approach to address service delivery to Albertans . . .

The Chair: I apologize for the interruption, but I must advise the committee that the time allotted for consideration of the ministry's estimates has concluded.

I'd like to remind committee members that we are scheduled to meet tomorrow, March 14, at 9 a.m. to consider the estimates of the Ministry of Mental Health and Addiction.

Thank you, everyone. This meeting is adjourned.

[The committee adjourned at 9 p.m.]

