

[Chairman: Mr. Pashak]

[10 a.m.]

MR. CHAIRMAN: I'd like to call the meeting to order. As usual, we have with us Don Salmon, the Auditor General, and his assistant Andrew Wingate. Today's guest is the Hon. Norman Weiss, Minister of Recreation and Parks. Hon. minister, would you care to introduce members of your staff?

MR. WEISS: Thank you, Mr. Chairman and members present. We appreciate the opportunity to appear before the committee. I have a few opening remarks and, as well, would like to introduce the staff we have with us.

To my right we have John Weins, manager of financial planning and management from the finance and administration division. To my left is David Rehill, executive director of the finance and administration division. Beside him is Julian Nowicki, assistant deputy minister of the recreation development division. Beside him is David Kalinovich, assistant deputy minister of operations and maintenance. Beside David is Donn Cline, assistant deputy minister for the design and implementation division.

Behind us we have Mrs. Carol Shields, my executive assistant. Next to her is Sherri Thorsen, development co-ordinator of the Olympic Secretariat. Following Sherri is Rod Burkhardt, director of finance and administration for Kananaskis Country. Seated next to Rod is Chuck Moser, executive director of the Recreation, Parks and Wildlife Foundation. Next to Chuck is Jack Monaghan, the technical director.

I must apologize, Mr. Chairman. While we're not weak in numbers, one person is absent. The deputy minister, Dr. Barry Mitchelson, had to be at a meeting in Calgary, and I used a case of priorities and felt it was more important that he be at that meeting. I apologize for his not being here. It's certainly not that he wouldn't wish to be here to answer any questions, but I feel we have enough support staff who will hopefully be able to answer any questions or concerns.

Prior to starting any opening remarks, Mr. Chairman, may I supply you and members with a flow chart of the ministry of Alberta Recreation and Parks depicting how the minister, the managing director from the Alberta Sports Council, and recreation, parks

and wildlife all fit in. In particular, because of the fact that I have introduced people with division names from the planning secretariat and finance and administration, it might be confusing to some hon. members. I felt it would clarify the positions and responsibilities and where they may fall. So if I may file that with the clerk for you, sir. Thank you.

Before we begin the review of activities of Alberta Recreation and Parks during the 1984-85 fiscal year, I would like to take just a few minutes to touch on some of the highlights of that year, Mr. Chairman. In an overall sense, we believe, and I firmly believe, the department has continued to move toward increased private-sector services in the areas of park development and operation and maintenance, which I'm sure will spark some controversy and perhaps some questions.

With the adoption of a project management approach in the design and construction of our parks, the department was able to create more private-sector opportunities for planning and design consultants, construction development contractors, and other firms which provide specialized services. Similarly, on the operations side, privatization of certain maintenance services has assisted in reducing operating costs to the department while providing what we believe are good opportunities for the private sector.

At the same time, the department has continued to explore other avenues where financial savings can be realized through streamlining some operations to encourage the involvement of volunteers in appropriate areas. One of the key sectors in future expansion development of our department lies in the use of volunteers. With a cost-conscious management approach, these continue to be ongoing initiatives, Mr. Chairman.

In a move to further improve operating efficiency, the department decided during the fiscal year in review to consolidate three existing primary financial assistance programs into one comprehensive program, the community recreation/cultural grant program, more commonly referred as the CRC program. The intent was to consolidate and replace what was then the major cultural/recreation facility development grant program, the MCR as it was known, Project Co-operation, and the operation of program assistance. In the 10-year life of

the then MCR program, some 3,800 grants provided over \$239 million toward recreational and cultural facility development throughout Alberta. In addition, Project Co-operation provided over \$34 million in funding to some 13,000 applicants since the start of the program in 1975-76, while operational program assistance provided more than \$35 million in support of a variety of community-based recreation programs during the same period.

Another major area of responsibility involved the co-ordination of the Alberta government's involvement in International Youth Year. Through a special youth secretariat, a wide variety of programs for youth were managed and administered. These initiatives included the development of resource materials for youth and the provision of special project funding and assistance with the sponsoring of youth leadership seminars and conferences.

During the 1984 fiscal year, Mr. Chairman, the department also continued with its mandate to oversee work in preparation for the 1988 Calgary Olympic Winter Games. The year in review saw the completion of the master planning and preliminary design for the Nakiska ski area at Mount Allen, which will be the site of the Olympic alpine events, and for the Canmore Nordic Centre, which will host the nordic skiing events. Work was also undertaken on the McMahon Stadium expansion and at the University of Calgary, which will provide student housing during the games and which most hon. members from Calgary will be most familiar with.

In other sport-related areas, the department has continued to strengthen Alberta's international relationship with the Pacific Rim countries of Japan, China, and Korea through sports exchange programs which we believe in future years will provide for the exchange of coaches and athletes in a variety of activities. Support to provincially based sports organizations was also strengthened through the formation of the Alberta Sport Council and completion of an Alberta sport development strategy, which provides the framework for a five-year program to help establish priorities and program initiatives in the Alberta sports area.

In keeping with the department's commitment to providing Albertans with the programs and services most reflective of our changing society, a comprehensive recreation

and parks policy statement continued to be developed. Public involvement in the development and review of the departmental policy statement continued to be a priority consideration. Once completed, this statement will help establish guiding principles for the department into the 1990s in terms of resource management, program development, and service delivery. In retrospect, Alberta Recreation and Parks has tried to provide and will continue to provide sound financial management within its area of responsibility as well as undertaking positive initiatives toward maintaining and further improving upon an effective and efficient management system.

With those few words, Mr. Chairman, I would like to thank you for the opportunity and once again reinforce that with the departmental staff and resource people we have available here, we would be pleased to try and provide answers to questions or concerns any hon. members may have. It's certainly different to be on this side of the House to answer questions, not in respect of the opposition but in respect of having been a member of Public Accounts for some seven years. I welcome the opportunity and appreciate some of the questions that may come. I'm going to put that responsibility back on the shoulders of those present, because I'm sure they should be and are prepared to be accountable for their decisions as well.

Thank you, Mr. Chairman, for that opportunity.

MR. CHAIRMAN: Thank you very much, Mr. Minister.

I have a list of speakers. I'll go through them to make sure I didn't miss anybody: Heron, Downey, Mirosh, Ady, Payne, Moore, Musgrove.

MR. HERON: Mr. Chairman, I wonder if we could turn to vote 4. I'd like to know why the total estimate for capital development co-ordination and operations, subprograms 4.1 and 4.5, was just under \$1 million, yet actual expenditures were less than half that amount. How do you account for that variation?

MR. WEISS: I'd refer that to Miss Sherri Thorsen, who is the development co-ordinator. Before she has the opportunity to respond, I'd like to indicate that Sherri is one of two people within the Olympic Secretariat, the other being

Jim Acton, who looks after co-ordination within the department as well. We have two: one with the capital end of it and one with the operations end of it. Our staff is very small. They perform an admirable job in the fact that we only have two people doing it. I think it's commendable. I certainly welcome the opportunity for her to respond.

MS THORSEN: Mr. Chairman, in response to the member's question, the Olympic Secretariat, although established in March of 1983, really didn't have a feeling for the type and level of responsibilities the Alberta government would have to undertake in support of its Olympic commitments until we got into it in 1984-85. With the budgets being submitted in 1983-84 for the '84-85 fiscal year, we built in a number of responsibilities which we felt we might have to undertake, including additional manpower to fulfill our full complement of four man-years that had been allocated to the Olympic Secretariat. The anticipated requirements ended up being much less than we had projected at that point in time. I guess we operated more efficiently than we anticipated we might be able to.

MR. HERON: Thank you. Perhaps just one further question. Why did the funds have to be transferred to the nordic venues budget; that's subsection 4.3. Was there a cost over-run on this project to date?

MR. WEISS: Would you mind continuing with that?

MR. CHAIRMAN: May I just interrupt for a minute? Could you tell us which page you're on?

MR. HERON: I'm looking at vote 4, section 19.5.

MR. WEISS: We're on 19.5 in section 4 in the transcripts.

MS THORSEN: In response to the member's question, the master planning for the Canmore Nordic Centre was initiated in 1983-84, and it was projected to be complete at the conclusion of that fiscal year. At the time we undertook the master planning, we ran into a design issue which required that we put the entire program

on hold until we could resolve the issue satisfactorily with the Olympic Organizing Committee. Therefore, the master planning ended up having to be deferred into the '84-85 fiscal year more substantially than anticipated. The project was completed on budget and actually came in under budget.

MR. HERON: Thank you.

MR. DOWNEY: Mr. Chairman, my question relates to subprogram 3.3. I note that in the five expenditure areas under that subprogram, the underexpenditure for parks reconstruction was around a million dollars. Did you have a bad year, or what happened there?

MR. WEISS: Mr. Chairman, I hope we never have what are called bad years, but we may have some off years. Perhaps I could ask Mr. Cline, the assistant deputy minister, to respond to that.

MR. CLINE: Mr. Chairman, I would be pleased to respond in two parts. First of all, in 1984-85 we had undertaken to reorganize our delivery system from one of largely in-house construction to one of project management of contracts through the private sector. As a result, we realized some significant savings. To indicate the scope of those, for example, \$445,000 of that was directly attributable to savings realized from better than anticipated contract prices.

Additionally, because of our change, we're involved in doing things differently than we had budgeted so that we did in fact underexpend our manpower in that area. In some considerable degree \$162,000 was underexpended partially from that and partially from the fact that we did have a very bad year for construction. As I recall, 1984 ended with mid-September rainfall that didn't stop for a long time and was followed by mid-October snowfall that never went away and stayed with us the balance of the year. So it was a particularly bad year. Not only did we leave manpower dollars unspent because we had to shut projects down, but we also wound up carrying over \$220,000 in contracts that were not able to be completed in that year. We also had one additional difficulty that year in that one company with whom we were contracting, although they were well along in finishing their job, went into receivership and

therefore did not complete all of their job, left \$80,000 on the table, and we were forced to pick that up in the following year.

I think those in combination would give you the figure that you quoted.

MR. DOWNEY: Thank you very much. To the minister. I appreciate the refreshing news that subcontracting to private contractors saved us a considerable amount of money, and I think that's a positive aspect that we should communicate to the public.

I have a supplementary question. Subprogram 3.4, unexpended funds in parks construction and redevelopment. There's an underexpenditure largely related to feasibility studies and design. Could you explain that, please?

MR. WEISS: Mr. Chairman, I'd once again ask Mr. Cline to respond to that as it was within his department.

MR. CLINE: You said vote 3.4?

MR. DOWNEY: Subprogram 3.4.

MR. WEISS: Feasibility studies, Mr. Cline.

MR. CLINE: We must attribute that underexpenditure to the fact that we were going through that process of change in 1984-85, and in fact we were very much in a learning situation. We discovered that many of the projects that we might have put into feasibility and design needed to be re-evaluated as to how they might be done through the private sector, so we in fact consciously held back on doing a lot of that kind of study. It doesn't represent a saving necessarily except in the given year.

MRS. MIROSH: Mr. Chairman, last week the Calgary caucus had the privilege of reviewing the Olympic program, and it was an excellent overview. I hope the public would be able to see that film you presented to us.

There is a considerable amount of criticism in Calgary regarding the Mount Allan development and the snowmaking procedure. I was wondering if the snowmaking procedure is going to be a costly program. What assurance do we have that there won't be any breakdowns or problems that have occurred in the past? Is there any cost sharing with a private developer

with this program on Mount Allan or Kananaskis Country?

MR. WEISS: Mr. Chairman, I appreciate that what the hon. member is referring to is more of a current nature, yet some of the expenditures of course are in the '84-85 estimates. I would ask Ms Thorsen to respond.

Prior to her response, though, I'd like to indicate to the hon. member that while there is nothing carved in stone that something can't break down, we certainly hope to prevent any such occurrences. The equipment has been tested and as recently as last weekend was in full operation with water pressure, the hydrants, the availability of water, the equipment, the underground lines. Everything is fully in place to ensure that that equipment will be working. We will be running full test procedures on that for the Nor-Am event, which takes place this year, and hope to have everything in full operational gear.

Please keep in mind that while there is some expense, to ensure ongoing venues for all Albertans, not just the Olympics, snowmaking equipment was an essential part of that development, much as it is in any other private operation. Without proper snowmaking equipment, with Alberta's winters — you have either early or late conditions with snowfall in both the south and the north — we could not ensure snow for the downhill, nordic, or biathlon events. So we put the equipment in to ensure that the Olympics will take place, that we will have adequate snow to provide for those, so there isn't that gamble. The ongoing returns will be beneficial for many, many years to come.

There will be some litigation with regard to some of the equipment that was supplied not meeting adequate standards due to design. Those things will all be addressed well in place, and through the co-ordination of the people in the department of public works, who have worked very closely with this, and within our department, we will ensure that these facilities are in place and will be adequately working so that the Olympics will run smoothly. As far as a breakdown, we certainly hope to prevent it, but we can't specifically say that a brand-new automobile won't break down on the highway at some given time. Hopefully we've overcome that.

I'd ask Ms Thorsen to supplement that

directly, please.

MS THORSEN: Mr. Chairman, in response to the member's question, the snowmaking system was definitely a part of the capital development budget of \$25.3 million for the Nakiska ski area, and that cost will be attributed to the capital development component. The system has been fully tested. There is no question that we feel very confident at this point in time that we should have no problems whatsoever with the system when we head into our Olympic test year in '86/87. The final testing in the actual making of snow is anticipated to occur in the first two weeks of October, when the temperatures are conducive. So any final deficiencies will show at that time, and we don't anticipate any.

In terms of the ongoing operating and maintenance costs, that is part of the private operator's responsibility through his operation and lease agreement for Nakiska. So there should be no ongoing cost to the Alberta government of that system, as with the other components of Mount Allan, as they're turned over to the operator. If there are any major defects that arise over that period of time, we have ensured that we have warranties from the various manufacturers that will at least carry us through the Olympic period. I think it's fair to say that all these manufacturers and suppliers have a vested interest in ensuring that their system is working during the Olympics when there are a billion viewers watching the system in action, if it ends up being the case. We feel pretty confident that everybody is on our side, and they're certainly on their own side at this point in time.

If we are successful in negotiating a purchase of the ski area at the conclusion of the five-year lease, the snowmaking system would be built into that in terms of the fair market value of the system, as with the other components of the area, and at that point we're completely out of the business. So it's only if we have done something negligent that we would have any additional costs after this coming winter. I do not believe we have anything that we can identify or even anticipate at this point in time.

MRS. MIROSH: Thank you.

A supplementary, Mr. Chairman. I notice that \$4.4 million has been provided. That may not be the correct figure, but you do indicate a

surplus. I'm wondering if you could tell me if this is a program that's overfunded. What is going to happen with this money if there is a surplus?

MR. WEISS: Please feel free to respond, Ms Thorsen.

MS THORSEN: I'm sorry; I'm not sure what the \$4.4 million refers to.

MRS. MIROSH: I'm not sure either. It might be the wrong number. I know that there's going to be a surplus, or that was indicated, and I just want a response basically to the surplus.

MS THORSEN: Nakiska?

MR. WEISS: I could clarify that point, Mr. Chairman. I think the \$4.4 million is the expenditure or expense through the Alberta Sports Council, and that's not quite clear in there. It should be clarified, so I welcome the question that way. Mr. Monaghan would you respond?

MR. MONAGHAN: Mr. Chairman, it would be my pleasure to respond to the hon. member. In 1984 the Sport Council was created to provide sport opportunities for young Albertans. One of the programs that we were able to acquire, from proceeds of the western Canada lottery, was the Alberta Olympic game plan. We had two Alberta athletes on the Sarajevo team, the Canadian team, in the 1984 Olympics. We have established a goal to have 20 percent of the Canadian team in 1988 be Albertans. The \$4 million is the money put in place for programs for Alberta coaches, athletes, and officials as we move toward '88. It was a one-time endowment of \$4 million to cover the four years between '84 and '88, and the projections are to expend approximately \$1 million per year. You will note that \$910,000 was expended in the first year. I think we are on target, and at this point I don't anticipate any surplus.

MRS. MIROSH: Thank you.

MR. WEISS: Mr. Chairman, perhaps I could supplement that by adding that that is not really an expenditure per se. It's an investment in the future of Albertans and in our Alberta youth. To think of the numbers we'll have

represented in the Olympics is phenomenal from where we started.

MRS. MIROSH: Am I allowed one more supplementary?

MR. CHAIRMAN: Yes.

MRS. MIROSH: Mr. Minister, there is a lot of money being spent on the Olympic games. This is two-week venture, and after this is over what is happening to all the facilities? For instance, the speed skating oval: whose responsibility will that be? Will there be some way this government can capitalize on all this expenditure through tourism or some other business in Calgary?

MR. WEISS: Mr. Chairman, I'm sure those who live in Calgary will be anxious to learn what's happening, and most of them are aware in some degree. I would like to take the next hour and a half to explain what's going on, but I don't think that would be fair. Of course, it's a legacy. The word "legacy" is used many times over. The facilities are there for all Albertans for many years to come. There are going to be some ongoing operational programs to be worked with and developed. I'd ask Ms Thorsen to respond to that, to explain the procedures that are set in place with the Calgary Olympic Development Association and others that will be in operation as far as the Canmore Nordic Centre and, as was mentioned about Ski Kananaskis, the five-year contract that's in place. But all in all the facilities from the university and the Canada Olympic Park, which are being developed with co-operation and funding of the federal government — a commendable project indeed — and the Mount Allan Nakiska site and the ongoing facilities that we've built will be there for many years to be enjoyed by Albertans and others. It's just fantastic to think what will be in place.

Mr. Chairman, I might use a minute to say that our objective, goal, and aim is to be in place without a legacy of ongoing debts to pay. I think that's an important one to look at, and if anything, I think we'll see the Calgary '88 Olympics be one of the most superorganized. The people who are involved should be commended, from the Frank Kings to the Bill Prats to the volunteers, the many hours they've put into it, the work that's taking place. I think

we'll see the ongoing benefits from these people for many years to come.

To be more direct, with the overall operations I think it's important for all Albertans to be fully aware that we aren't going to be creating facilities that you and I as Albertans and taxpayers are going to have to bear and pay, because there's some long-term commitment with the endowment fund, which I'd like Ms Thorsen to outline to the committee. It's a very important facet of it. Ms Thorsen.

MS THORSEN: Mr. Chairman, in response to the member's question, I think it's fair to suggest that one of the prime objectives in the planning design of all of the Olympic sport facilities was to ensure a long-term recreational training and competition opportunity would be made available for years to come.

Maybe I could touch briefly on the other partner's facilities. With respect to the Canada Olympic Park, the federal government is funding that particular project. It has the bob, the luge, the jumps, but it also has a recreational ski component that was known as the Paskapoo ski area in past years. That is a revenue-generating project to offset some of the costs of operating the Olympic sport facilities that will be used for training and competition. In addition, to ensure that the facilities would be operated in the long term, the federal government established an Olympic endowment fund in the amount of \$30 million to assist in the ongoing operating and maintenance costs of both the Canada Olympic Park and the Olympic speed-skating oval, which they are also funding.

The Calgary Olympic Development Association, referred to as CODA, will be managing the Olympic endowment fund on behalf of the federal government. They will be directly operating the Canada Olympic Park, and they have entered into an agreement with the University of Calgary that they will fund two-thirds of the cost of the Olympic speed-skating oval, with the University of Calgary picking up the additional cost because they will be using it very fully as part of their educational programs on the university campus.

In addition to that, for the first time in Olympic history, the Olympic Organizing Committee has made a commitment to

establish an Olympic endowment fund to ensure the ongoing operation and maintenance of the training and competition components of all four Olympic venues, including the two that are being funded by the Alberta government.

At Nakiska we do not have an operating cost because we have entered into an agreement with the private sector, but CODA will be contributing funds toward the financial requirements associated with training and competition that will occur at that site in years to come. We're in the process of discussing with CODA how those arrangements will be committed and are entering into an agreement which we expect to be signed in the near future.

In terms of the Canmore Nordic Centre, at the time the Alberta government committed to fund the centre, it acknowledged that a private-sector operational opportunity was not available at the Nordic Centre, because the present policy is that we do not charge for cross-country skiing and opportunities of that nature. So we committed to take care of the basic operating funds through the Kananaskis Country development and recreational program. In addition to that, we're in discussions with CODA with respect to their picking up the costs associated with the training and competition, which is part of their mandate.

In terms of our commitments to the McMahon Stadium Society, those are strictly a capital improvement commitment, and the McMahon Stadium Society, under an operating agreement with the University of Calgary, will continue to operate the facility with its own funding.

The athletes' village commitment that we have made is primarily to student housing, which meets the projected demand for student housing on campus in 1988, and the University of Calgary will fund that in an operational sense once the games are concluded.

I don't know if that responds adequately.

MR. BRASSARD: Could I have a supplementary on that?

MR. CHAIRMAN: Is it agreed?

HON. MEMBERS: Agreed.

MR. BRASSARD: Perhaps this is a little bit off the topic, but while we're talking about winter

sports and the prevalence of them, we had occasion to discuss in the House just recently a weather modification program. [interjections] I assure you this is not a commercial. During the discussion, hail suppression and rain content were highlighted. One of the issues that unfortunately was not highlighted and deserves a lot of credit is the snowmaking capability of a weather modification program. It is currently being employed very successfully for snow-enhancement in many of the states. There is a recent article out where it's being employed overseas very successfully as well. I wonder if any consideration had been given to this. Since our winter sports are so dependent on snow and since we spend so much of our time in winter sports, I wonder if your department, Mr. Minister, has given any consideration to a program of this kind, because it would appear that it would certainly be a cost-cutting measure as opposed to snowmaking machines.

MR. WEISS: Mr. Chairman, if I might try and respond by pulling my answer out of the clouds, as it relates directly to the Olympics, it was felt that while the project you refer to is certainly successful and has ongoing benefits for some, it was not required because of the in-house equipment that was in place with regard to snowmaking, as outlined by Ms Thorsen. It would be very difficult to try and determine or ascertain that snow would be made or created for use on a specific run rather than being overall in a general area. I think your question relates more within the department, if we looked at it for winter sports or recreation throughout per se. No, we have not.

For those who would be in support of increased snow facilities, I'm sure we have that percentage of people on the other side who would say, "We're nonsupportive; we certainly don't want to see more." I look at the gentleman across from us, an hon. member who was a former member of a city council, who I'm sure would be very averse to seeing increased snowmaking equipment being used to create extra dollars for snow budgets within an urban community, for example, for road-clearing and issues like that.

Those are some of the short pros and cons that have come up in general discussions. To answer your question fairly and more seriously, no, it has not been considered as an alternative at this point, but it certainly was discussed.

MR. ADY: Mr. Chairman, my question is to the minister and has to do with the Alberta Sport Council. I note that the revenue of the Alberta Sport Council increased from \$1.4 million in 1983-84 to \$7.6 million in '84-85. That constitutes a 500 percent increase. Could you explain?

MR. WEISS: I welcome the opportunity to clarify that, because there is a logical explanation for it. Because it's glaring, it shows up in particular. I'll ask Mr. Monaghan to outline the specific details of it. I would like to emphasize, though, that I would encourage all members to become more aware of the Alberta Sport Council, to be more conversant with it and to use it. I don't say "use" a harmful or derogatory way. I'm sure the Alberta Sport Council would welcome more queries and more direct involvement by all members of the Legislature. We feel the arm of the Alberta Sport Council is one where there is an awful lot of potential for amateur athletes and for the development of our youth. Mr. Monaghan, perhaps you would respond directly to that.

MR. MONAGHAN: Certainly. Mr. Chairman, the increase is directly related to an increased mandate of the council. You will recall that the Alberta Games Council operated and developed the Alberta Games from 1976 until 1984. In the spring of '84, the legislation for the Games Council was expanded and amended and created the Alberta Sport Council, with the role and responsibility to provide technical programs in the areas of leadership and participation for Alberta athletes, coaches, and officials. The lottery licences to distribute the proceeds from the Western Canada Lottery Foundation were amended to accommodate that increased responsibility and subsequently the increase in allocations.

MR. ADY: I have a supplementary, Mr. Chairman, to the minister. If the council is in fact receiving \$7.6 million from lottery funds, why is the province providing an additional appropriation of funds in the amount of \$372,000-plus?

MR. WEISS: Mr. Chairman, as one of the members who represents a community that was a beneficiary of those additional funds through the Summer Games — not that it's a conflict; it

just so happens that I'm familiar with it as a member, not just as the minister. Mr. Monaghan, perhaps you could clarify the instances where those are expended.

MR. MONAGHAN: Certainly. The \$372,000 is very important to the Alberta Sport Council. It consists primarily of three components. There is an ongoing operating grant of \$150,000 to the host community of an Alberta Games and an additional \$50,000 legacy that provides recognition to the host community for having done a successful job in operating and administering the games. It provides funds for that community to continue to build on the momentum the games were able to create for its citizens. The third component consists of a grant of \$172,300 from the province of Alberta to the council for its administrative costs. Having our administrative overhead covered by the province ensures that any donation from the corporate sector can be spent one hundred percent on programs for Alberta athletes, coaches, and officials. It's a tremendous motivator to know that every cent on the dollar is in fact going into direct programming.

MR. ADY: One final . . .

MR. WEISS: Could I supplement that, please, before the question. Perhaps I shouldn't have been so unfair as to interject. I'd like to re-emphasize that the dollar for dollar — as Mr. Monaghan pointed out, it is very important in going out and looking for funds to attract that we ensure that those dollars are being spent wisely and fully. I just can't re-emphasize it enough, because it is a most important factor that people understand where the dollars are going. We hear of many charitable organizations or fund-raising drives where money is allocated with 30 or to or 75 percent going back to the project. I'm not specifically blaming any one area or group. I think the guidelines and formats established under this program are commendable.

MR. ADY: One final supplementary, Mr. Chairman, to the minister. I note that the operating surplus of the Sport Council at year end was \$4.8 million. Could you explain that?

MR. WEISS: I'll ask Mr. Monaghan to outline it and, if I may, Mr. Chairman, point out that it

would appear that most of the questions relate to underexpended funds. I'm sure all hon. members are aware that any unspent moneys, of course, are not carried over or transferred, and I'm sure Mr. Salmon or Mr. Wingate would be the proper source to identify the procedures. As noted in the Auditor General's report, while we haven't come through unscathed, with the exception of the one relatively minor matter that wasn't accountable in the legislative procedure, all was accounted for in a proper manner. I point that out in case there were questions directly as well to Mr. Salmon and Mr. Wingate, as it made reference to that.

With those remarks I'd then ask Mr. Monaghan to clarify that.

MR. MONAGHAN: Mr. Chairman, you will note that 1984-85 was the first year for the Alberta Sport Council; in other words, the gear-up period. We were created on April 1, 1984, with our council operating as of May, and during that period of time we required an opportunity to develop our programs and services for the sport community, some 77 provincial sport associations. It was felt necessary to launch the programs in total, in detail, along with the application process. During that period of time the council was able to provide interim financing to those clients in the amount of \$1,404,000. We like to perceive the surplus as positive working capital. Our funding strategy indicates that we will provide one-quarter of a year's funding requirements to the provincial association in advance. We must maintain a capital reserve in order to front-end that money when not having yet received any benefits from the lottery to begin any fiscal period.

Secondly, the sport community is concerned about the uncertainty of the lottery dollars as they relate to ongoing profits, and they've asked that there be a reserve created that would allow them a period of reasonable downsizing should there be any extreme in sales or adjustments to the lottery licences.

MR. PAYNE: Mr. Chairman, today several of the members of our committee have directed their attention to underexpenditure items, and I'd like to shift course for a moment. I'm always concerned when senior civil servants or indeed ministers approve expenditures that exceed their legislative authority, and that appears to have been the case with this

department. I wonder if the minister preferably could comment on the Auditor General's observation on page 33 that "legislatively imposed expenditure limits" for grants related to the MCR program weren't amended to reflect a change in policy, and he couples that observation with the recommendation that in future [the department] ensure that when expenditure limits . . . applicable to grant programs are changed because of some policy change, relevant legislative authorities are amended accordingly.

Could the minister assure the committee that in fact that procedural change recommended by the Auditor General has been implemented?

MR. WEISS: Mr. Chairman, I certainly welcome the opportunity for the department to clear up the misunderstanding, and of course it was pointed out by the Auditor General. There were some irregularities. To all hon. members: please keep in mind that there was no intent to misappropriate or misuse funds or authority within the department, and while the department had always informed the Auditor General and Treasury what procedures were taking place, the final legislative process was not completed. For a thorough explanation I would ask Mr. Nowicki to expand on it. I reviewed it personally because a concern that was raised to me when I was first appointed to the portfolio was to ensure that there would be no irregularities, no continuation, or no misappropriation. I'm satisfied to the fullest that that has not happened and that such an occurrence with not recur.

I think the explanation by the Auditor General, then Mr. Rogers, was very clear, and the guidelines were very clear as well. While the department failed to seek and obtain the amendment to the regulation, that really was the critical point, and the program remained in effect until the whole regulation was repealed and then when the grant program ended. But Mr. Nowicki, would you mind expanding on that?

MR. CHAIRMAN: Let me interrupt for a moment just in the interest of making sure we get all of our questioners. If Mr. Payne's satisfied with that response, then we could move on to his second question. If you'd like to hear from him . . .

MR. PAYNE: Well, I'm not sure I got the answer. I heard the front-end comments saying the minister was assured, but I didn't quite grasp what had given that assurance. Was it simply the repeal of a regulation and the end of a program?

MR. WEISS: The relevant legislative authorities have been amended accordingly now, so it will not recur. All it was was an Act that hadn't been amended or put in place. It was no irregularity as far as this expenditure or the authority; both were there.

MR. PAYNE: Then there's no likelihood that same kind of procedural faux pas could occur again?

MR. WEISS: None whatsoever.

MR. CHAIRMAN: Are you satisfied with that? Fine. If it's all right with the committee then, I think we could move on to Mr. Moore.

MR. R. MOORE: Thanks, Mr. Chairman. In the Recreation, Parks and Wildlife Foundation . . . I got Mr. Moser's attention with that; I saw him sit up. I might take this opportunity to congratulate the operation of this foundation. It's done an excellent job out there. However, I have a question I'd like clarification on. I noticed that in 1984 they received \$1 million from lottery funds, and then it was increased in 1985 to \$3.6 million. If we go to section 5.128 in volume 1, we show a surplus of \$2.3 million. We shift this amount into it and increase it and then show up with that big a surplus. I know the demand for the excellent services of that program is out there. Is there a reason for that?

MR. WEISS: Mr. Chairman, I'd ask Mr. Moser, who is the executive director, to respond to that.

MR. MOSER: Mr. Chairman, to the hon. member. Thank you for the kind words on the performance of the foundation. We are obviously very proud to be part of the total delivery system in the Recreation and Parks department and feel that we have made a sizable impact in solving some of the problems that are involved in enrichment funding for innovative projects throughout the province.

The amount you have pointed out as a surplus

was a planned accumulation which we put together to provide for the provision of an additional responsibility that we acquired as of April 1, 1985. That additional responsibility related to providing enrichment funding to 32 recreation, parks, and wildlife associations throughout the province. This enrichment funding involved support for leadership and participation development with those 32 associations. This balance that was available reflects also the additional lottery funds that were made available for this purpose, as you have pointed out.

In April 1985 a large percentage of these funds that were carried over were made available to the associations. That is why that accumulation had to be shown at the end of '84.

MR. R. MOORE: Thank you. Just another question in the overall tone of our questioning today. It goes on a lot of unexpended funds. I think that's excellent. I hope that's an indication of sound administration and not the other side of it, padding of estimates so as to play safe at the end of the year. Mr. Minister, are you concerned in this area, or is what I hear today definitely an indication of sound administration? We don't want to be the other way, seeing estimates coming up that are padded.

MR. WEISS: Mr. Chairman, I note with interest the word "padding." There is no intent to pad anything. While I appreciate the remarks with reference to the unexpended funds, I think they're logical, realistic answers to those individual budgetary items. If one were to look forward to the '86-87 period, which we're not discussing — I can recall in the estimates where I had indicated what we believe is sound fiscal management throughout, in manpower years, operation, and budgetary expenses. Our programs are designed sometimes with seasonal — the word "bad" was used; I use the word "off" to respond to it in relation to delivering some of the programs and with regard to some of the timing and, further, with regard to some of the developments in the areas of Kananaskis and others and with the Olympics. These were projects that perhaps were unable to be site specific or exact dollar budgetary items, but we've been realistic and, I think, fair in our assumption that there is no way that we would see padding by any means. I believe we're able

to meet those goals and objectives. That's the goal and the aim that I have as the minister and, I'm sure, departmental staff and management share with me.

We're in a little differently orientated type of department in that I believe we're people oriented and service related. We deliver goods and services. It's our objective to deliver and maintain those without cutbacks in both services but also to control fiscal responsibility. I think we can do that. There are other areas we'd like to see expanded. I won't go into those in detail, but I always like to get the plug out about a Kananaskis north, urban parks programs, and others. I hope we have the opportunity to discuss those at some future dates. But as far as delivering programs, just to put a dollar and say, "Oh well, if we get that, we go with it" isn't the case at all. These are thoroughly thought out and reviewed. Remember, they go through the priorities, cabinet, discussions and of course are then monitored through the Auditor General.

So we're accountable. That's why we're here today, Mr. Chairman and members of Public Accounts: to be held accountable. We accept any questions that may arise. If we don't have satisfactory answers, then we're prepared to put forth the resource material to provide them and at the same time be held accountable, as I've said earlier.

MR. R. MOORE: Chairman, I certainly appreciate the minister's comments. I must say I didn't ask the question to be critical. I just wanted to make sure that this was not becoming a norm. The minister and his department have one excellent positive image across the province. We appreciate it. I think Albertans appreciate them too.

MR. WEISS: Thank you. Not to be defensive, but in fairness to those other departments that may appear before your committee with overexpenditure items, some of those items that they are unable to budget or be prepared for are areas of additional expense, such as I used with the hon. member who was a past member of a city council. They had that abnormally high snowfall. Their budget predicted for snowfall is certainly going to be compounded two or three times. It wasn't an item that they wished to see or wished to spend, but they've still had to provide that ongoing

service to their citizens and to their electorate.

We have a responsibility as a department in our mandate but are more fortunate as we're working with fixed-goods services and facilities and program those reconstruction and new areas that we can work with in the budgetary items. The other items, as I have indicated, are not items that it's fair to pick or put blame on. I only point that out as a cautionary message, and I appreciate the hon. member's remarks.

MR. MUSGROVE: Mr. Chairman, getting in late in the question period, some of my questions have already been alluded to. I note that in the subprograms 3.2, 3.3, and 3.4 combined, there was a budget of something in excess of \$14 million. Apparently, about \$2.1 million of that was left unspent. We did hear the reason some of it was unspent, but I wonder if we could have a reason for that underexpenditure of the total.

MR. WEISS: Could I just ask the member to be a little more specific. You're referring under provincial parks operation and maintenance to all items under 3?

MR. MUSGROVE: Items 3.2, 3.3., and 3.4 combined.

MR. WEISS: Specifically construction. I'd ask Mr. Cline to respond to that, if you're familiar with that, on 3.2, 3.3., and 3.4.

MR. CLINE: In response to the question, Mr. Chairman, I had already given you some indication of the reasons for underexpenditures in 3.3. I would also like to extend that to an explanation of 3.2, which is a little different explanation in the sense that 3.2 is the operating budget of the division which allows us to, in addition to construction, do all the preliminary preparation work. It also allows us to control our lands, because it's a place where we track all our land holdings and manage all our dispositions. There are a lot more things going on than construction in that group.

In 1984-85, as I suggested, we had undergone a significant change in our organizational structure. In addition to going to a project-management approach, we had also gone to an approach to do as much as possible by contract and privatize in as many ways as possible. We were probably one of the first parts of

organizations into the manpower reduction program, more on our own initiative perhaps than on a response initiative. At that time we undertook to reduce the size of our own manpower from 109 positions in the division to 86. So during the first fiscal year, 1984-85, we were in the process of that reduction — not all the way through it during that time, but we did reduce by nine positions and we did search out other ways that we could save money. The result was that in 3.2, manpower costs, we did achieve a saving of over \$262,000.

Also, in our supply and services area we took some steps which allowed us to save a number of dollars. We entirely closed parts of our trade shop, which normally did the in-house work, substituting that for work done through contract, and were able to cut from our budget expenditure requirements another \$775,000. In fact, during the process we were able to save over \$1 million just in our operating budget, to become more efficient and more effective. I would like to point out to those of you who may anticipate sitting on the 1985 review that as a result, in 1985 we did reduce that budget by over \$1.1 million.

The only other savings that are evident in the figures are some small savings that took place in vote 3.4, which is the construction of new projects. There we did manage to save a great deal of our manpower budget by going to contract, and we left more than \$69,000 unspent in our manpower. At the same time, we were able to save over \$68,000 in contract prices that came in better than we anticipated. I had earlier mentioned both that saving and the saving in 3.3 of \$445,000 due to good contract prices. I don't take a lot of credit for that kind of saving; it was the condition of the industry at the time that did allow us to take advantage of that.

MR. WEISS: May I further supplement that?

MR. CHAIRMAN: Yes.

MR. WEISS: Mr. Chairman, just to further supplement. It's not specifically in 3.2 and 3.3 but in the overall operations maintenance in reference to vote 3. Specifically we talked about the private contractor or privatization. So that people have a little more awareness of where we're looking and what we're trying to do, it's not to just cut or fire people or dismiss

them from their jobs; it's just that we're able to — in the area of wood-cutting, for example, if I recall, the expenditure was some \$250,000 that we've contracted out. I stand to be corrected by any of the members, but I believe it's in that vicinity. Some \$700,000-plus has gone out to contractual services for water-hauling, septic pump-outs, supplying goods and services, cleaning, and janitorial services — areas where a lot of these jobs were not really required under a full-time or 12-month contract.

So we were able to look at them and say, "Where can we best have cost saving and still provide those goods and services to you, the citizens, in this manner?" We were able to do it more efficiently and at a cost saving to all of us. I'm very pleased to learn in my visitations in particular in rural Alberta of so many people involved in the wood-cutting program, for example. In the native employment area, we've been able to go out and successfully negotiate with these people to supply these goods. So it's a plus. I don't want anybody to think that we're specifically going out with that broadaxe and reducing manpower in that manner whatsoever.

MR. MUSGROVE: Mr. Chairman, I'd certainly like to commend the department for this kind of initiative, particularly when we still get the same kind of performance.

I do note that the budget for planning was considerably underspent, and that was alluded to, but my question is: does this signal a change in direction?

MR. WEISS: Mr. Chairman, I'd ask one of the members to respond too. But when you refer to planning in particular, we've gone out into the private sector. There are many, many planners out there, if one were to think of the engineering/architectural field just in design and construction and not specifically as it relates to parks. There are many people out there in the private sector who are just as capable of providing those goods and services, and we felt that. So instead of being in-house and creating a monstrous department to provide these, we said once again, "Where can we go out and do this?" So we've got people both on an invitational basis and on call working with us. It has worked out very well, particularly in the planning. As you indicated at 1.3 in the estimates, we expended some \$574,000.

Perhaps Mr. Cline could be more specific and

outline where those areas of cutbacks were and if they were related to specific projects as indicated.

MR. CLINE: Mr. Chairman, with respect to the figures you see in the public accounts across my division, those figures are contained as a subset of the division. I should assure you first of all that it doesn't signal a change in the responsibilities or the delivery of responsibilities of the organization. We would still continue to pursue those kinds of things. In terms of why it shows in the record the way it does, at the time we made the reorganization, a number of people changed responsibilities and a number of structures changed. But the budget was already set, so for the most part we tried to accumulate our savings across the whole division into one vote area, for clarification of what was happening to us, for our own management purposes. So you see the change largely resulting there.

I would also say that that year was a re-evaluation year, so we probably did less of the active, hands-on planning than we might have done in past years or might have anticipated doing. So there was a period of some lessening of our activity in the direct planning area, but the major change is a change in overall saving of the expenditure patterns of my division, which I had accumulated in that one area. So it's a bit of an aberration in the figures.

MR. HERON: Mr. Chairman, I wonder if I might break in before the final supplemental. Given the high level and depth of response to our questions by the minister and his resource personnel . . .

MR. CHAIRMAN: Just to check and make sure, you're actually using up Mr. Musgrove's final supplemental. Is that all right with you, Mr. Musgrove?

MR. MUSGROVE: I'll exercise my right to have another supplemental after Mr. Heron.

MR. CHAIRMAN: I have to rule you out of order. You're going against the procedures unless you're making a point of order or raising it with Mr. Heron.

MR. MUSGROVE: I'll forgo my last supplemental.

MR. HERON: I was just wondering, Mr. Chairman, if we could arrive at some consensus at this point to suspend questions, thereby permitting time to discuss the important topic that you introduced last night, recognizing that this may be our last meeting of Public Accounts. If a motion is required to suspend questions, I would be prepared to so move.

MR. CHAIRMAN: What I would rule is that we carry on with question period until 11:20. That would give us 10 minutes to complete the business of the committee.

Mr. Musgrove, your final supplementary.

MR. MUSGROVE: I am a little confused on subprograms 3.3 and 3.4, Mr. Chairman; 3.3 says "Parks - Reconstruction", and 3.4 says "Parks - Construction and Redevelopment." What's the difference? It would seem that there might be an overlapping in the wording of that.

MR. WEISS: Mr. Chairman, in my estimates I had tried to answer a similar question by the Member for Edmonton Glengarry. Perhaps my response wasn't clear enough. There is a clear definition, and I think it's best that it come right from the persons themselves who are responsible for that in the guideline and the framework. There certainly is a building or reconstruction that takes place with all parks and, of course, the initial design and construction of new development. It's an area that I feel very concerned about. It's one that I don't think we as members recognize. When we talk about budgetary expense in future programs as well, it's going to be very essential for both urban and rural members. Because parks wear out. They break down. It's going to take many, many more dollars to keep these facilities in place, for their ongoing development and maintenance, in particular in the urban parks where the utilization is much greater than in some of the outlying rural parks — the trees, the growth, the expansion, and the redevelopment. So it's very important that it be divided into the two areas.

I'd ask Mr. Cline to be just a little more specific and to outline that role, and maybe Mr. Kalinovich wants to supplement.

MR. CHAIRMAN: I'm sorry; if I may interrupt again. It's just that we've got about four people with questions left. If Mr. Musgrove is satisfied

with that answer, and I think he is, could we move on to the next questioner, just in the interest of trying to get everybody in?

MR. JONSON: Mr. Chairman, there's quite an increase in fixed assets in the various program items between 1984 and '85. In some of the answers that have previously been given, some of the items have been covered. But it seems that in pretty well every program line there is the accumulation of additional fixed assets. I wonder if the minister could elaborate a little bit here. Is the department expanding so that we need more desks? Why is there such a significant increase?

MR. WEISS: Mr. Chairman, I wouldn't be able to directly respond unless it were a specific item or expenditure in relation to an individual vote. I say that because, in fairness, some items have increased significantly or proportionally in value over the years, others are a complete replacement of equipment, while others, because of design and change of concept, have had new material or equipment added. Unless I was making reference to one area where I could make a comparison, I couldn't really be specific.

MR. CHAIRMAN: Could you be prepared to do that, Mr. Jonson? Have you got a particular item?

MR. JONSON: Let's just start with department support services. It's not by any means the highest amount, but we have \$24,400 purchased there, as I understand it.

MR. CHAIRMAN: Could you give us the page reference number you're on?

MR. JONSON: Page 19.3, statement 19.2.

MR. WEISS: Yes, I'd be prepared then, because it specifically relates to Mr. Rehill within the department, with regard to equipment.

MR. REHILL: Mr. Chairman, to the member, if you're looking at the \$24,400 dollars, I can certainly provide you with a complete listing of the fixed assets. It's primarily EDP equipment.

MR. WEISS: Tell them what EDP equipment is.

MR. REHILL: Electronic data processing equipment; microcomputers to be used in financial administration.

MR. JONSON: A supplementary question on the matter of fixed assets, Mr. Chairman. As I understand this, the actual purchasing of equipment would be done through another department, Public Works, Supply and Services. I would imagine that the department has something to do with the policy of purchasing. Is purchasing done via a policy whereby tendering and so on would be made available to firms in the regions served by that particular operation of Recreation and Parks, or is it done mainly in the two large urban centres? What is the policy there?

MR. WEISS: Mr. Chairman, I refer it through to Mr. Kalinovich. I wouldn't go into any dialogue prior to it other than that we encourage to buy locally wherever possible. We do have full breakdowns by region of where we support with goods and services within those communities and regions. Mr. Kalinovich, perhaps you could expand just briefly.

MR. KALINOVICH: Mr. Chairman, to the hon. member, there are a number of different methods to purchase assets. There are standing offers through Public Works, Supply and Services. There are tenders. Most of those — in fact, I would think almost all of them — go through the Department of Public Works, Supply and Services. They do follow the normal procedures. The types of fixed assets that would be particularly in vote 3 would be equipment replacement for the most part: worn out equipment, AV equipment, tractors, trucks over one ton, those kinds of things and those kinds of pieces of equipment. They would follow the regular procedures through Public Works, Supply and Services.

MR. JONSON: One further supplementary, Mr. Chairman. Taking a specific example, let's talk about the replacement of vehicles, which is probably one of your biggest items. I take it from your answer that the policies regarding that type of purchase are set through Public Works, Supply and Services and emanate from that area, not from your department. We should be pressuring that department if we want some change in purchasing policy; is that right?

MR. WEISS: Perhaps I could just briefly respond that central vehicle supply is of course the governing body. We have some 600 vehicles, I believe, within the overall department. Those are all co-ordinated through public works.

MS LAING: I would like to ask a question in regard to vote 2.2, a \$9 million special warrant, which is about a fifth of that total vote. I'm wondering what that was for and why such a large percentage of the vote would have to be by special warrant.

MR. WEISS: I'm pleased, hon. member, and surprised that nobody else would pick out such a glaring amount. Mr. Nowicki, would you respond?

MR. NOWICKI: Mr. Chairman, to the hon. member, the \$9 million special warrant relates specifically to the now no longer in place major cultural/recreation facility development program. This was a ten-year program that concluded in 1984. The municipalities that were applying under that program were able to apply any time during their 10 years for their \$100 per capita eligibility. Consequently, they could wait until their last year to apply for it or they could have applied for it all in their first year or somewhere in the middle. Our normal budgeting procedure was to budget on a per capita basis, which we did. We had \$20 million. When we saw that the municipalities were exercising their right to get the \$100 per capita, we then asked for a \$9 million special warrant in terms of the maximum number of applications that we could possibly get by the year's end, which was December 31, 1984.

MS LAING: There wasn't a projection of what the possibility would be in terms of that maximum allowable and then a return of that or a nonspending of that? In fact, what you did was respond to it on a demand basis, in terms of the applications from the municipalities?

MR. NOWICKI: Yes, on the demand basis.

MR. WEISS: It was to meet all the requests, hon. member.

MS LAING: The second area I would like to ask about is -- what I seem to be hearing is savings in terms of manpower costs and in terms of

using the private sector, privatization. I'm wondering if there has been any monitoring to ensure that those savings have not been at the cost of workers in terms of hourly rates of pay or loss of benefits or part-time work that may mean people are then going on unemployment or social assistance. Is that kind of monitoring being done, or are we just looking at the overall costs and not looking at the impact on workers?

MR. WEISS: Ms. Laing -- pardon me, Mr. Chairman; I refer to the hon. member. I think that's a very sensitive question and one that I'm very sensitive about. No, there is not going to be an employee that's going to be dismissed because of budgetary purposes. What we have done, have looked at, and will continue to look at is through attrition. Where there are job replacements or duplicate services, in cases there may even be the possibility of transferring a person to another department or area.

As far as overall monitoring, we will continue to always monitor our staff. It's our key ingredient to how this department works, functions, and operates. Without them we just don't have any awareness of programs or services to deliver to the citizens of Alberta.

We are looking at the volunteer agencies, as I've indicated, in our awareness programs and good-host programs within the provincial and into the parks systems, working with our seniors to bring them in, whereby they would receive free days of service for within use of their camping where they'd be able to act as good hosts. Those are some of the cost-saving measures we're looking at to provide and maintain services without specific reduction and deployment of people. I give that commitment specifically to the hon. member and to the members of this committee.

MS LAING: I've got one more. I guess I'm concerned about not only reduction in staff but reduction in rate of pay that actual staff, the people doing the work, receive. In other departments what happens is that there is an administrative cost that goes to the people who are getting the workers for the department. As we move into privatization, certainly in some of the civil service jobs we see that workers' actual pay is reduced to almost half because there's an administrative cost that goes to the employment agency. I want to be sure that

doesn't happen here.

MR. WEISS: I can assure the hon. member that while there is opportunity for it to be there, I think we have a little more esprit de corps within the department. I don't like to relate through to a service-oriented agency such as Social Services, but I think we're a good news department. I'm very proud of it and proud of the staff and what we deliver. It might sound a little sanctimonious and pious to give that little sales pitch, but it's one we continue to work with and for. So I can't see it happening, but if there are specific instances, I would welcome the opportunity to reveal it and stop it.

MR. CHAIRMAN: I'd like to interject at this point. We have approximately 10 minutes of business left. We could try to conclude it fast, but I don't know whether the minister would like to stay and perhaps answer some questions after we've concluded that business. If you'd like to go now, that's fine too. I would like to express our appreciation and thanks to you and your staff for coming here today and taking time out of your very busy schedules.

MR. WEISS: Thank you to the hon. members. I appreciate it very much.

MR. CHAIRMAN: We have a couple of items of business. The first item of business is to deal with the minutes of our meeting of August 27. May I have a motion to approve? By Mr. Payne. Is there any business arising out of those minutes? Any amendments or corrections? Are we agreed on the adoption of these minutes?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: The minutes are adopted as circulated.

I have two other items of business that arise out of some research I asked Mr. Bubba to do for us. I'll give you a minute to look it over. I asked Mr. Bubba to look at what it would cost us on a daily basis if all 21 members met outside of session. He has made a calculation of some \$5,940.30 per day. That's based on all 21 members currently on this committee meeting for one day outside of session.

I also asked him to calculate the cost of sending five members and the Clerk Assistant

to the next CCPAC conference in Quebec City. The total cost for that is \$11,847.50.

I've provided two motions, and if someone would care to move one of them, just so that we could begin some debate on that issue.

MS LAING: I'll move motion 1.

MR. CHAIRMAN: Resolved that sufficient funding be budgeted to enable the Standing Committee on Public Accounts to hold 10 meetings during periods of adjournment of the Legislative Assembly in the 1987-88 fiscal year.

Mr. Moore, if you'd care to take the Chair, I wish to address that. By the way, Mr. Heron has just indicated that he'd like to as well.

[Mr. R. Moore in the Chair]

MR. DEPUTY CHAIRMAN: We have two motions before us, and because of the time frame we'll move right into it. Mr. Heron, would you like to speak to that motion?

MR. HERON: Mr. Chairman, I would like to speak against motion 1, because I think we have to look at the role of our committee in two dimensions: first, of course, we're looking at the role and then the budget allocations to perform that role. As it now stands, the role of this committee is that of a sort of overseer or watchdog. Given that in all probability the session will permit us up to a maximum of, say, 12 weekly meetings, that gives us the chance of examining perhaps 50 percent of the ministries in terms of isolating and examining them in some depth. I feel this provides us with a good opportunity for a spot check if we exercise our right to call meetings while the House is in session.

That's opposed to another role that we could play, and that's a very active role where we get right into reviewing every [department]. I view this as being wrong for two reasons: first, I think that's already provided to the elected representatives through the Committee of Supply, and secondly, I believe that that is the role of our Auditor. As it presently stands, I think we have the option of questioning selected ministries and the Auditor. I think this fulfills whatever role we're set out to do without costly and unnecessary duplication.

I feel it would be very difficult at this time to justify further funding for the role of this

Public Accounts Committee, given its importance in the whole structure of the Legislative Assembly and given that we're facing perhaps the most dramatic decline in revenues that the province has ever faced. I think it would be very difficult to justify going for the level of funding proposed to finance an increased role for this committee when we're looking at the possibility of, say, a deficit approaching \$3 billion and talking about cutbacks in our spending. For that reason, Mr. Chairman, I cannot support motion 1.

MR. PASHAK: I'd just like to say this motion does not necessarily imply that we're going to meet outside of session. What it does is enable us to meet outside of session if the committee should wish to do that next year. It provides funding for 10 days of sitting, which would be approximately \$60,000. That's what we're requesting to build into the budget. That would allow us to meet for 10 days out of session, which I think would enable us to spend half a day with at least 20 different ministries. I think it's only by spending that amount of time that we can really begin in any effective way to look at how these departments are actually spending their money and whether they're spending their moneys in terms of what has been approved by the Legislature itself. So I don't think the motion is really asking for that great a sum.

Again, I want to reinforce the point: it's not really even asking that we do meet outside of session; it's just an enabling motion in the event that we should decide to do that. I would ask for your support for this motion.

MR. MITCHELL: I would like to speak to the concept behind the motion. Sorry?

MR. CHAIRMAN: Mr. Payne.

MR. PAYNE: Briefly, Mr. Chairman, I think I would find it difficult to support the motion for both the reasons articulated by Mr. Heron. Without wishing to amend the motion but rather simply to extend the parameters of the discussion today, another possibility would be simply to increase the frequency of our meetings during session. We do meet for close to half a year. If during those sittings we were to meet, in addition to Wednesday morning, perhaps on Monday morning or Friday afternoon

or some other time that was mutually agreeable, we could double the frequency without incurring the difficulties raised by Mr. Heron. So I feel I can't support motion 1, Mr. Chairman.

MR. DEPUTY CHAIRMAN: We have Mr. Downey, Mr. Mitchell, and Mr. Musgrove. Would you all be very brief so we can make a decision on this? Mr. Downey.

MR. DOWNEY: Thank you, Mr. Chairman. I, too, have some difficulty supporting this motion. I think it's interesting to note and I think we're going to hear the argument that we are going to get the opportunity to review only a brief number of ministries. I sat here through this meeting this morning, Mr. Chairman, and noted 13 department people, including the Auditor General's department, along with members of the committee examining the Department of Recreation and Parks. We heard the only question from the members of the opposition parties from the Member for Edmonton Avonmore. If you guys really wanted to examine this department, you had your opportunity this morning and yet you were silent. So I see some inconsistency in your position on this motion. [interjections]

Thank you, Mr. Chairman.

MR. PASHAK: On a point of information. They were on the list but the time expired, and that's part of the problem we're dealing with.

MR. MITCHELL: I would of course speak in favour of this motion. I believe that we have not done our job unless we have reviewed each department. I do appreciate Mr. Payne's comments. I would be more than happy to see this committee meet twice a week throughout the legislative sittings. That would be entirely acceptable provided that twice a week would ensure that we would meet with each department. The only reservation I have about that is that I don't believe an hour and a half, or in this case an hour and 20 minutes, is enough, and Mr. Downey's statement makes that point extremely well. I was on the list and didn't get to ask my questions. I also believe that . . .

MR. DOWNEY: You were late for the meeting.

MR. MITCHELL: . . . three questions per

member is not sufficient. I cannot emphasize enough the importance of accountability. At what other time do a minister and his staff -- and I wish we could make it mandatory that the staff be here; this was an excellent gesture on the part of this minister this morning, and I think we should congratulate him wholeheartedly for doing that -- get this form of accountability and have to justify not next year's expenditures but last year's expenditures: at no other time. My experience in management is that you cannot appreciate, you cannot even quantify the amount of impact that will have on their ability to manage, on their desire to manage, on their motivation, and on their knowledge of their department just by having to come here and be confronted with a series of questions which they may not have been able to anticipate, and so on and so forth. This is an extremely important process, and we are not doing our job if we do not review each and every department. It's not enough to hit and miss and guess; every one of them has to be in front of us. I don't care how we do it, but we have to do it.

MR. DEPUTY CHAIRMAN: Thank you, Mr. Mitchell. If I might just interject at this time. We're going five minutes over the time that was allotted to us, and we have Mr. Musgrove, Ms Laing, Mr. Ady, and Mr. Strong. What is the will of the committee? We're overtime now. Where are we at? What do you want done? Carry on with this?

MR. MITCHELL: I'll stay here until [inaudible].

MR. PASHAK: I think some people have to leave right now.

MR. DEPUTY CHAIRMAN: There are some that have other commitments.

MR. PASHAK: I think we've got the arguments out on the floor.

MR. DEPUTY CHAIRMAN: We're in the middle of it, and we're going to have a long discussion by the looks of it. What's the will of the committee?

MR. MITCHELL: Mr. Chairman, a point of order. Has an amendment been proposed that this committee will meet twice a week?

MR. PASHAK: No, there's no amendment proposed. May I comment? That would just prolong the debate. I think that the lines are set. It's obvious that we can't make a change in this regard unless the government members want to support that change. I think the positions are very clear. We could take a vote on this motion right now. I don't think there's any necessary sense . . .

MR. DEPUTY CHAIRMAN: Is there a call for the question?

MR. PASHAK: You can't really call the question under our House rules, but given the time, my suggestion would be that we vote on it right now.

MR. DEPUTY CHAIRMAN: Are we agreed with this suggestion brought forward by the chairman?

MR. STRONG: A point of order, Mr. Chairman. Just before we conclude, my point of order deals with the statements that were made by Mr. Downey with respect to inflicting politics on the Standing Committee on Public Accounts. As a new MLA I know that I am certainly ignorant of many of the things we're discussing in this committee. But I think it is absolutely wrong to inflict politics within this committee. This committee has a job to do, and this committee should do that job in the best way possible, and that's not to say that opposition members don't ask questions because certainly we do. Opposition members were listed on the order paper the chairman had in front of him. I think to inflict politics is wrong, and I'd like him to withdraw that.

MR. DOWNEY: May I? I don't see it as a point of order, Mr. Chairman. Referring to the comments by the Member for Edmonton Meadowlark, he came late to the committee meeting so he could have been farther up on the list. The other members had equal opportunity to get there. I don't choose to withdraw anything I said.

MR. STRONG: The point of order was with respect to inflicting politics and political affiliation within this committee. Now, that has no place within this committee, and that's a point of order.

MR. DOWNEY: I remarked only on the opposition members, without mentioning party affiliations.

MR. DEPUTY CHAIRMAN: Both sides have had their say. I agree with you, Mr. Strong: this isn't a political arena. We're here to examine impartially the spending of departments. You've both had your say; you're recorded. I would say we proceed with the question. The question is: do we approve motion 1, which reads:

Resolved that sufficient funding be budgeted to enable the Standing Committee on Public Accounts to hold 10 meetings during periods of adjournment of the Legislative Assembly in the 1987-88 fiscal year.

All those in favour? Seven in favour. All those opposed? Six. So the motion is approved.

Do we proceed with motion 2, considering the time limit?

MR. PASHAK: I think we could do some quickly too without debate. I guess I'm sitting here; I can move it. I move: resolved that sufficient funding be budgeted to enable the Standing Committee on Public Accounts to send six delegates to the 1987 Canadian Council of Public Accounts Committee's conference. As you may note from looking at this, the Clerk Assistant has estimated that that would cost some \$12,000. In any event, three of us are going: Mr. Moore, Mr. Bubba, and myself. So this is just a request for additional funding to send two other government members, in all likelihood, and one other opposition member to Quebec to broaden our awareness of how public accounts committees operate in other jurisdictions. It's enabling only; we don't have to agree to send the six people. Again, it would build that into a request for the next budget. I so move.

MR. PAYNE: Mr. Chairman, I can't speak for the other members of the committee, but speaking for myself I'm more than prepared to receive the reports of the attending members. I think the three representatives that have been named can do a more than adequate job of attending such a conference and making a full report to us on their return.

AN HON. MEMBER: Question.

MR. DEPUTY CHAIRMAN: The question has been called. All those in favour of motion 2 as stated? All those opposed? I take it that one is defeated.

[Mr. Pashak in the Chair]

MR. CHAIRMAN: If I may take the Chair back, we have one last item, which is the date of the meeting for next week. Would anybody care to move that we meet next Wednesday at 10 o'clock? Our guests at that time will be the Minister of Agriculture and the Associate Minister of Agriculture. So moved. Agreed?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: Motion to adjourn?

MR. R. MOORE: I move we adjourn.

MR. CHAIRMAN: Agreed?

HON. MEMBERS: Agreed.

[The committee adjourned at 11:40 a.m.]

