

8:30 a.m.

Wednesday, December 5, 1990

[Chairman: Mr. Pashak]

MR. CHAIRMAN: I'd like to call this morning's meeting of the Public Accounts Committee to order and welcome the Minister of Labour and her associates. In a moment I'll give the minister an opportunity to make a statement, but there's some routine that we have to deal with first.

The first item would be the approval of the agenda as distributed. In a moment I'd ask for a motion on that, but I should point out that it would be my intention this morning to not accept any questions after 20 minutes to 10 so that we could deal with the budget item that I have on the agenda. With that being understood, would anyone care to make a motion?

MRS. BLACK: So moved.

MR. CHAIRMAN: Moved by Mrs. Black. All those in favour of adopting the agenda as distributed then?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: Would anyone care to move the approval of the November 28 minutes?

MRS. BLACK: So moved.

MR. CHAIRMAN: Moved again by Mrs. Black. Those in favour of adopting the minutes as distributed?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: Well, hon. minister, we're pleased to have you before the Public Accounts Committee this morning. We have also in attendance the Auditor General, Mr. Salmon, and his associate Andrew Wingate.

As I tried briefly to explain to you before the meeting, what we try to do is keep the questions to the public accounts themselves or to the Auditor General's report. Each member is allowed one question and then two supplementaries.

With that, I'd invite you to introduce the people that are with you this morning and make any kind of opening statement that you'd care to make.

MS McCOY: Thank you, Mr. Chairman. It's a pleasure to be here. As one wit once said, "May God bless us both; you for indicating it was a pleasure to have me here and me for indicating that it's a pleasure to be here."

On my right is Jim Dixon, who is the Public Service Commissioner, responsible for PAO. On my left is Robin Ford, who is Deputy Minister of Labour, and on his left is Marie Riddle, who is the executive director of the Women's Secretariat.

By way of introduction I may say one or two words. As you know, I didn't have the responsibility for Labour or for PAO in '88-89, although I did have responsibility for women's issues in that year. We hope our answers will satisfy you in that regard, because we have gone back into the archives to find some of the explanations of the figures. But I think it would be helpful for me to quickly run through the highlights of the seven votes before us and perhaps just quickly comment on the major activity in each area for fiscal '88-89.

As you can see, votes 1 through 5 relate to the Department of Labour. I'm sure you've all found them in the public accounts

book. This department's mandate is actually quite a wide one. Its primary role is to help employers and employees achieve productive and mutually beneficial relationships. It does that in a variety of ways: through mediation services, for example; through the employment standards branch by administering and promoting understanding of our human rights and of our labour laws. In addition, the department is responsible for general safety legislation.

The year '88-89 was an important one for the department and for Alberta. That year two new codes came into effect: one, the Labour Relations Code, which deals with organized labour, and the other, Employment Standards Code, which deals with all workplaces. As the financial statements in the public accounts show, special warrants were needed that year to fund the costs of implementing the codes and putting out information about them and making that information as widely accessible as possible and in as plain an English form as possible. Both codes were significantly different from the laws they replaced but not in every case different. As is always the case when you're dealing with a change of procedures, it's difficult to unlearn what you don't need to know anymore and learn what you do need to know and remember which parts that are continuing are the same. So in that instance, naturally, a great deal of information is better for the public so they can access the new codes.

Now, overall the department's estimates for '88-89 showed almost a 2 percent decrease from the year before and in fact resulted from a staff reduction of 29 permanent positions. Salaries and benefits account for 80 percent of the department's budget in fiscal '88-89, a very high percentage, if not the highest percentage in all the departments in the government, and because it is a regulatory department, which is to say it's a people department, all our functions require a person to deliver, and therefore most of our dollars go into personnel.

Vote 1 covers Departmental Support Services. That is the division that provides professional support and advice to the department on finance, personnel management, systems planning, research, and administration, and also the library and information services. We have consolidated some of that so that some of those services are provided not just to the Department of Labour but also to the Labour Relations Board, the Human Rights Commission, and the personnel administration office.

In '88-89 that division underwent a reorganization and an automation of several information systems. This was done to make service more efficient and cost-effective: work smarter, not harder being the underlying concept. For example, the division developed a bargaining information system. That IBIS, as we call it, is for use by parties in negotiations as well as our mediators in negotiations. It helps people when they're negotiating to be able to make market comparisons, et cetera, and we've found it's value-added information for the use of all the parties in negotiations. It's well used. In order to make it accessible, we installed about a hundred personal computers, and that gives the employees access to data bases and to a wide spectrum of services including word processing and desktop publishing.

Now, as the public accounts show, the division obtained a special warrant in that year which covered the cost of several items including the development of the bargaining information system and the public information about the new codes and particularly a lot of public meetings, because the department went out of its way, went all over the province, held hundreds and hundreds of meetings with employers and employees, giving orientation seminars on the new codes, both Employment Standards and Labour Relations.

We come then to vote 2, which covers the labour relations division itself, and this division assists in preventing and resolving labour disputes. It also regulates minimum standards of employment and the administration of private pension plans. That is to say, if IBM has a pension plan, it's regulated through this division of the Department of Labour. This division also in the year under consideration received special warrants, and again they were necessitated by the implementation of the two codes. One totaling \$310,000 is highlighted. That special warrant covered grant payments to parties who were negotiating under the Construction Industry Collective Bargaining Act, which was a transitional stage especially designed for the construction industry because of its complexity and because of some of the circumstances in which it had found itself in the four years prior to '88-89. It was felt that assisting them to make the transition to the new code would be a time-consuming process; therefore, the time of all those who were involved was underwritten by the department.

8:40

Now, perhaps I could just highlight some of the extraordinary expenses related to the new codes; for example, the employment standards branch. They conducted a direct mailing to more than 60,000 employers, and they ran newspaper and radio advertising as well. They set up a toll-free 800 information line. They produced posters outlining key provisions of the code, which they made available and suggested that people hang in places at the workplace such as the lunchroom and other places that would be accessible to the employees. Of course, I mentioned earlier hundreds of workshops and seminars, and they also participated in trade fairs and conferences. They also revised every publication that the department had, which was necessitated to reflect the new Employment Standards Code and the changes that were contained in it. Also, the branch hired two information officers for a one-year term only, and these were brought in to inform the immigrant employers and employees about their workplace rights and obligations, which I think was well received and proved to be quite helpful to those communities.

Turning then to vote 3, General Safety Services, this is the division that has in it the building standards, the fire inspections, the plumbing inspectors, the electrical inspectors, boilers and pressure vessels, elevators, et cetera. The division not only has inspectors but, of course, it develops and promulgates the standards in all of those areas. Extra funding was not required in that area, although I should point out that it was the year that that division began reviewing all of our safety statutes with a view to streamlining them and combining them into a single safety Act, more about which you will hear not particularly today but in the fullness of time. Those proposals are beginning to ripen. But in '88-89 that division began the task of designing for the future.

Vote 4 is the Labour Relations Board itself. As you are all aware, it's an independent tribunal, and it's essentially a specialized court which has been given exclusive jurisdiction over disputes and disputes resolution in the labour relations field for those people to whom the Labour Relations Code applies. Therefore, it is only appealable on the grounds of law and jurisdiction. It has in its statute, as I say, exclusive jurisdiction. It is a specialized court. It has a Chair, two vice-Chairs, which are permanent, full-time positions, and at that time I believe it must have had 20 members, all of whom were part-time, half of whom were drawn from a union and half of whom were drawn

from management. So there is a labour/management balance on the board. It, of course, resolves disputes that are brought before it, and it interprets the code. It has been given a host of other functions as a result of the new Labour Relations Code.

Additional expenses were required in that year for the Labour Relations Board, because it truly is the key player in the labour relations field in terms of implementing the Labour Relations Code. The new code required, for example, supervised votes on every certification. That hadn't been the case before; the board did not have to attend every vote on a certification. They did starting this year, and that of course necessitated more staff in order to be available at a moment's notice when the parties require a vote. Time is of the essence in these matters, and the board must be able to respond instantaneously when the parties request. That means sending somebody out to any part of Alberta. They need the people.

They also needed to work smarter as well, and that meant the development of computer data systems, which enabled the southern part of the province and the northern part of the province - they had offices in Edmonton - to be up to date on the status of applications, the status of complaints, and the status of prior decisions of the board, which of course are generally binding on itself, and also the status of any proceedings that have been taken on appeal. So they brought themselves into the 20th century by means of installing some personal computers and developing a data base that is of use to themselves. All of the extra personnel and the information systems required a special warrant, and you see that in the public accounts.

Then there is vote 5, the Human Rights Commission, which, as you know, promotes and safeguards the basic individual rights of Albertans, and it is responsible for administering the Individual's Rights Protection Act. I think most of us here are familiar with it. It prohibits discrimination on a number of grounds in the areas of employment, public accommodation, and services. An equally important part of the commission's mandate is to promote awareness and understanding of human rights, and they do that through attending many, many public meetings, holding seminars and workshops, putting out publications, and taking speaking engagements, for example.

Now, the commission itself has a staff, and when a complaint comes in, the staff investigate it. Once the investigation is complete, they will attempt to resolve the complaint. They will mediate between the person who has complained and the person who's being complained against. About 90 percent of the cases that come in are resolved through mediation facilitated by the staff of the Human Rights Commission. If they are unable to bring about a resolution through that mediation service, then the staff refer it to the commission itself: the Chair and the six members, all of whom were part-time in that year. The commission will then attempt to resolve it among the parties. If the commission fails, the commission is then able to make a decision, if it wishes to do so, to refer it to a board of inquiry. If the commission decides that a board of inquiry must be appointed, the minister is obliged to do so and appoints a board of inquiry, which in that case is like a panel of a court. It has all of the powers of a public inquiry, essentially, under the Public Inquiries Act, but it's a little stand-alone court. That board of inquiry then is able to call before it witnesses and take their evidence under oath and make a decision. Their decisions are enforceable just like a judgment is in the Court of Queen's Bench. Boards of inquiry are ad hoc in the sense that they're not standing boards. We appoint a board for each occasion that the commission requests it, so it's a case-by-case basis.

8:50

In that year, '88-89, because you never know when a board of inquiry is going to be needed - in fact, it's very difficult to budget for them - they did receive a special warrant. That was to cover a very special incidence actually. The commission prior to that had instituted a board of inquiry to look into the case of Dr. Vinogradov. Calgarians here will know the name. I'm never sure I'm pronouncing it quite right. She was the engineering professor at the University of Calgary. The board of inquiry had pursued that, and it had taken quite an extensive time before it came down with a resolution. In fact, it awarded costs against the Human Rights Commission, which might have been a first. In any event, in '88-89 the commission required a special warrant to cover those costs of \$115,000.

Now then, going on to vote 6, the personnel administration office is our central personnel agency for the whole of the government of Alberta. If you like, it's having our own Price Waterhouse inside the government. They are the experts in personnel and provide expert advice to the line departments and agencies. As a result, of course, it plays a key role in developing and maintaining the quality of our public service. PAO is responsible for a wide array of services and programs. For example, there's the employee relations division, which is responsible for negotiating and administering collective agreements with our union, the Alberta Union of Provincial Employees. The year under consideration, '88-89, was a year that the master and 12 subsidiary agreements in our collective agreement were up for renewal, and they were being bargained in that year. Settlements were reached with 11 subsidiaries by the end of '88, and the master and one other subsidiary were concluded in '89.

Also that year the training and development branch developed and offered an Insightful Manager symposium, which was a first ever. It was attended by about 350 assistant deputy ministers and other managers. Topics included the effective initiation of change, the impact of new technologies on management, vision as a management tool, and the impact of social and economic trends on the workplace. I mention the Insightful Manager symposium as an example of how PAO will co-ordinate activities that are of great use to managers across the departments, particularly keeping them future oriented. It's a professional development service.

The personnel planning and career development branch of PAO is a very important one, and that's another service offered to all departments and agencies. In the year '88-89 it expanded its services to include all permanent and temporary salaried employees. It developed a new resource centre. In 1989 this branch was the one that announced a number of initiatives under the Alberta Plan for Action for Women, including an advisory committee to recommend ways of helping government employees balance work and family responsibilities.

The occupational health and safety branch is in PAO, and it helps provide programs and services designed to prevent injuries on government worksites. It's developed and piloted several new safety courses for employees in smaller centres. I believe Alberta is the only province that maintains that service in-house.

Then in '88-89 PAO introduced a new program for executive management planning and development. The program was designed to facilitate interdepartmental exchanges of managers, which is a key function, and also temporary exchanges of managers with the private sector and other public-sector employers, a key strategy in the continuing development of our senior managers and also in familiarizing those in the private sector with the way government works, which I think is often a

very helpful idea, as is the idea of helping our senior managers gain a firsthand knowledge of what the private sector is doing in what some would euphemistically refer to as the real world. The idea, of course, is to provide for an exchange of ideas. It was started that year and is working very, very well.

Now, vote 4 is women's issues. That vote is actually Executive Council's. It provides funding for two separate entities, one of which is the Alberta Advisory Council on Women's Issues. That is a citizens' body. The other is the Women's Secretariat, which is an internal government structure. I refer to the council as my outreach group and the secretariat as my inreach group. The secretariat has career civil servants in it, and their job is to act as an advocate and catalyst internally. The council is a citizens' advisory body; '88-89 was the second full year of operation for the council. As I say, its primary role is to advise the Alberta government "on matters relating to the opportunity for full and equal participation of Alberta women in the life of the Province." I think that's a quotation out of their statute.

During '88-89 the council's 15 members met with a wide array of groups and individuals. The council has one full-time Chair and 14 part-time members. It prepared discussion papers on such subjects as midwifery and NRTs, new reproductive technologies. It sponsored a symposium. It submitted recommendations to government that year dealing with issues of concern to immigrant and visible minority women, native education, widow's pension program, maintenance enforcement program. Their recommendations and activities helped to identify and basically focus public attention and our attention on issues that are of concern to women across Alberta. Many of their recommendations have led to later programs and program enhancements but not within '88-89, so I think I had better restrain my comments in that regard.

The Women's Secretariat, as I said earlier, is the central co-ordinating structure for addressing issues of concern to Alberta women; '88-89 was its fourth anniversary. Its major activities are: analyzing and making recommendations about government policy, programs, and legislation which affect women; collecting data and conducting research on women's issues; and, of course, always promoting public awareness about issues of concern to women. A major time-consuming role is liaising with other government departments, and that is to ensure that women's concerns are consciously deliberated when programs and policies are being put together. Needless to say, the secretariat also liaises with other provincial governments and with Ottawa.

9:00

In '88-89 one major initiative I think deserves special mention. That was the year the secretariat co-ordinated development of the Alberta plan for action. The Alberta plan for action was actually announced in the summer of '89, so I'm a little bit out of my time, and I apologize for that. But it was a significant achievement and had been worked on for three years. That was the year it finally saw the light of day; it was given birth, you might say.

That year was the introduction of the Stepping Stones program, which is another very significant program that the secretariat has spearheaded, masterminded, and continues to promote. That's a program of volunteer role models. We started piloting it in Calgary and Edmonton junior high schools, so it was Calgary and Edmonton women who volunteered their time as role models to go into the junior high schools and talk to the kids about what kind of jobs they have. We've naturally asked women who are in nontraditional occupations. We've got women who are journeyperson carpenters, chiropractors, pilots,

you name it. We've got 500 right here in Edmonton in a wide range of careers. They talk to the girls and boys about what it's like to be a pilot and how they got there and what courses or apprenticeship program they had to take in order to get there. It's key to talk to the children in junior high because that's the year you start taking off in different directions in your own choices of subjects to study. If you're dreaming about being a pilot and you take the wrong course in junior high, it takes you many years to catch up afterwards. We're hoping to, as I say, increase the choices among the girls, particularly, and also the boys. It's very successful.

MR. CHAIRMAN: Excuse me, hon. minister, for appearing rude; I'm not trying to be. There's quite a list of people here who would like to direct some questions to you.

MS McCOY: I would love to entertain some questions.

MR. CHAIRMAN: I think they appreciate the comprehensiveness of your statement, and I think you did anticipate many of the questions, by the way, that they will likely ask.

MR. MOORE: Excellent information, Mr. Chairman.

MR. CHAIRMAN: I think I agree with the comment from the member. It was excellent information, and I enjoyed the presentation. Is it all right if we recognize some people who would like to put questions to you?

MS McCOY: By all means.

MR. CHAIRMAN: Ms Calahasen.

MS CALAHASEN: Thank you, Mr. Chairman. I was quite interested in some of the comments you were making relative to a number of the areas that you're responsible for, Ms Minister, and welcome to the staff and to yourself too, Ms McCoy.

On page 3.85 of this particular public accounts book, the large one, the statement of revenue for your department in 1988-89 shows an increase in revenue acquired through fees, permits, and licences from \$4.2 million in 1988 to \$5.3 million in 1989. Could you please explain why such a large increase occurred?

MS McCOY: The answer will emerge any moment now, Ms Calahasen. I'm just trying to find the page.

The general answer for it is that the fees in general safety services – that's the building inspections and the fire inspections and so forth and so on – were raised across the board in '88-89, so that would increase the revenues. I have a more specific answer for you in these papers if you wish it, but perhaps that's sufficient for your purposes.

MS CALAHASEN: Okay. Maybe what I could ask you as the supplementary is: if the fees were raised, does it also indicate that there's an increase of more people requiring permits and licences for their activities?

MS McCOY: No, it did not. No, it was not.

MS CALAHASEN: How was this increase in revenue used by your department?

MS McCOY: That's a sore point with most departments. When we raise revenues, we don't get to see them actually. They go

into the General Revenue Fund – the term "general" is a point of great dissention among us from time to time – which then becomes undifferentiated money, and the only way we get more money is by coming back to the House, actually, to get our estimates voted on.

MS CALAHASEN: So it doesn't come back at all?

MS McCOY: No; unless it's a revolving fund. So for all I know, the money was used for other purposes entirely.

MS CALAHASEN: Thank you.

MR. CHAIRMAN: Thank you. Because of the time situation and the fact that I do have a long list, I'd just ask the members to voluntarily limit their questions to perhaps one question and one sup. You don't have to; just a suggestion. Okay?

Mr. Lund.

MR. LUND: Thank you, Mr. Chairman, and good morning, ladies and gentlemen. I was very pleased to look into the Auditor General's report and find that it simply states that "of the matters reported to management at the conclusion of the Department's audit, none warrant inclusion in this report." So I guess that says that the department has done a very good job.

Turning to the public accounts, page 3.84 and vote 3, General Safety Services, I notice that under Divisional Support you had an estimated expenditure of \$1,009,640, yet only \$276,338 was expended. I wonder if you could give some explanation as to why such an underexpenditure.

MS McCOY: Yes, I believe I can. Page 3.84; you said vote 3 – right? – General Safety Services. What happened there was that the divisional support services were allocated to the various program areas in the division, and what we were doing was recruiting to vacancies within the department. Because we were somewhat delayed in recruiting to those vacancies, we did not expend the full year's allocation for the salaries. Although we had said at the beginning of the year that we had estimated we would need a full year's salary for all of the positions in General Safety Services, in fact there were some vacancies for part of that year, and therefore we did not expend the dollars either on salaries or benefits. That money was therefore unexpended at the end of the year.

MR. LUND: Well, Mr. Chairman, I'm curious whether in fact that resulted in any adverse effect to the public, or is this type of dollar really not necessary for the optimum operation of the general safety services?

9:10

MS McCOY: Well, there was certainly no reduction in services to the public during the year because of the vacancies. The personnel were there, but not for 12 months in some instances. But it's a large division, as you may have noticed from the dollars that are allocated to it, most of which again are people, personnel. I'm being advised it's 289 people. It was probably more two years ago actually; it is two years ago. Okay; 289 people. When you have that number of people and you have a vacancy, somebody fills in, basically, and responds to the service calls from the public. So the public itself would not have noticed any reduction in service.

MR. LUND: Thank you, Mr. Chairman.

MR. CHAIRMAN: Mr. Severtson.

MR. SEVERTSON: Thank you, Mr. Chairman. My question to the minister is on page 3.82 on vote 1. You were mentioning in your introduction remarks – which, I might say, I enjoyed; you gave an overview of the whole department – that in vote 1 you did some reorganization. But I was wondering why you transferred \$145,000 from Supplies and Services to Purchase of Fixed Assets.

MS McCOY: Yes. I mentioned to you IBIS, the integrated bargaining information system, which was instituted that year. It required money both to purchase the hardware, which is personal computers as opposed to a big mainframe – we've gone to portable, adaptable, flexible little PCs that can link up all over the place – and also to develop the software itself. So that was done in '88-'89, and as I said, it gets used by both the private sector and the department. The dollars that we had in the accounts, unfortunately, weren't all in the right vote, so what we did was we moved some which was in Supplies and Services over to fixed assets. We had sufficient to cover some of the purchase of the hardware, but that has to come out of a different vote, for reasons that Mr. Salmon and his colleague will explain in much better detail than I ever could. So we transferred it over.

MR. SEVERTSON: Okay. What kind of purchases are in Supplies and Services then? I take it that a fixed asset is the machine itself, the computer itself.

MS McCOY: Yes.

MR. SEVERTSON: So the other part, the purchases in Supplies and Services: what type of purchase is that?

MS McCOY: In Supplies and Services you have a variety of different expenditure types that include – it's mostly people. For example, if you hired somebody to develop the software for you, that's a computer hacker sitting there. That comes out of Supplies and Services.

MR. SEVERTSON: Thank you.

MR. CHAIRMAN: Mr. Jonson.

MR. JONSON: Yes, Mr. Chairman. Good morning all. I noted in the minister's opening remarks the reference to it being a very labour-intensive department and also several references and explanations with respect to the need to increase staff and have additional work hours available. Therefore, I was curious, looking at vote 2 on page 8.10 of public accounts, where a special warrant for \$369,885 is described to Labour Relations, and that reference there is for additional staffing. However, when we look at the actual explanation, only \$150,160 was spent. I wonder if that factor could be explained?

MS McCOY: Page 8.10, vote 2, Labour Relations. All right. That, as it says in the brief description, is . . . You're talking about the first one, are you, the \$369,000 for additional staffing and admin services? What that was was eight additional positions in the labour relations division. That was the labour relations division of the department as opposed to the board, I would imagine. Yes, it is, in vote 2. That was to meet the expanded responsibilities under both the Employment Standards Code and also the labour code. However, as you can see, it

wasn't all expended. I'm told what happened was that although the department went out to recruit for those positions, they were unsuccessful in finding somebody immediately. I would imagine the \$370,000 would be the full-year projection of what had been required. The \$150,000 would be that which was actually expended after the person was hired and brought on stream. So the difference between the warrant and the expenditure is a timing difference.

MR. JONSON: Well, thank you. Mr. Chairman, I'll just ask the one supplementary in the interests of time. I asked that question because in looking further at the expenditures, I'm wondering what the need really was for the special warrant. If we look at 3.82 of public accounts, it shows that for the overall section with respect to Labour Relations, you've got an authorized budget of \$5,037,000 and only expended, when all was said and done, \$4,737,000, which left, obviously, a surplus at the end of the year. Perhaps my mathematics isn't completely correct, but that would cover what you went for a special warrant for. Is there something in the system which makes it necessary to go for a special warrant when positions are authorized? Couldn't that have been accommodated within the budget?

MS McCOY: I think again it was driven by the timing differences. The code itself did not get proclaimed until November '88, and in order to hire to the new positions, you actually have to have the legislative authority to do that. So that was quite late in the year. By the same token, you have to have the money approved on a full-year basis as well before you can go out and start to hire. Having got all of your approvals, then you go out and put your ads in the paper or however you advertise, you leave a sufficient length of time for people to respond and for the competitions and so forth and so on, and eventually you get your people. But because that has all consumed some time and you have not actually spent the money in the fiscal year, you do spend the money in the next fiscal year as projected. It may sound a little peculiar, but government accounting is a very specialized field. It has this advantage, at least; that is, it does establish the base for the next year, because it does project on an annualized basis what the budget will be, what the expenditures are likely to be, which gives a realistic picture for the following fiscal year.

MR. CHAIRMAN: Okay; Mr. Bruseker.

9:20

MR. BRUSEKER: Thank you, Mr. Chairman. My question to the minister deals with vote 5, talking about in particular the special warrant in the decision of the board of inquiry. I notice on page 8.10 that a special warrant was authorized for \$115,000; the amount expended was \$108,558. My first question is: was that amount of money paid directly to Dr. Vinogradov?

MS McCOY: No doubt, Mr. Bruseker, it was in fact, as I understand it, an award of costs. What "costs" means in a court of law is the costs of your advisers, which are the lawyers or other advisers. So I would imagine that in fact it was awarded to her counsel.

MR. BRUSEKER: Thank you. My second question really sort of ties into the comments you made in your opening statement that this was probably the first time such an event has occurred. I guess I'm a little puzzled by that. I wonder if you could sort

of talk a little bit more about this process of awarding money. Because I look at the orders in council that come out, and there's always a long list of concerns that people have brought to the Human Rights Commission, yet this is the first one that I've seen where money has been allocated. It seems curious that there's only one. I'm wondering why we only had one. Should there have been this one at all? Why don't we have more? I wonder if you could expand on that a little bit.

MS McCOY: As I said, the boards of inquiry are like a court. They're set up on a case-by-case basis, but once they are established, they are like a court. They have the power to call witnesses and to demand their attendance and to cross-examine them and to make judgments, all of which are as enforceable as judgments of the Court of Queen's Bench. Of course, its jurisdiction is limited to what the statute has said, so it is a specialized court as well.

When a board of inquiry is established, then one of the parties that comes before it is the commission itself. The commission generally carries the complaint on behalf of the complainant. The other parties that are likely to be there are most definitely the person who is complained against – in this case it was the University of Calgary, so the university was a party as well – and there can be other parties.

Now, the board of inquiry begins from scratch. In legal terms it's called a trial de novo. The case is brought completely to the board of inquiry. The case is built from a record which has nothing, and you build up the record by putting all of the evidence in front of the board. It is not as if the board is given all of the investigatory files. If the Human Rights Commission wants to share that information, they have to put that into the record through evidence, and they have to call witnesses. So the board starts from scratch. As the case goes on, as the record is built, as the evidence is being heard, they make up their minds as to what is the appropriate course of action in this instance. In this particular board of inquiry I take it that the board found in favour of the University of Calgary. The matter is, in fact, still in front of the courts now, I believe, because it was appealed further. It's very typical in courts that if you have two parties and one is successful and the other is not, the costs are always awarded to the party who succeeds. Very rarely are the costs awarded any other way; occasionally, but very rarely. So this was, in that context, taken to have been a very normal decision for a court to make.

MR. CHAIRMAN: Ms Laing.

MS M. LAING: I'd like to thank the minister for her concise and precise comments this morning. I'm wondering about all the special warrants that were necessary in regard to the new labour codes and why, in fact, there wasn't planning around that for bringing in those labour codes and an allocation through the regular budgetary process for all the costs that would flow from the implementation of those new Acts.

MS McCOY: You're asking a question that may be a little difficult for me to get at. I don't know that that's contained in the archives of the department, Ms Laing. There was obviously some planning done, I would say, because they generated the numbers. On the other hand, there must have been a number of considerations reviewed. When the code became law was November '88, so there must have been a number of considera-

tions that led the minister of the day to recommend when the proclamation would occur, because of course they had been passed by the House earlier than that. That may have impinged on some of the other decisions. I know that it is a massive change, made more complicated by the fact that some of the things didn't change. Some of the old rules are still there, and some of the new rules overlaid on that required . . . Well, as I said, the employment standards branch held hundreds of seminars and needed some time to let the information get out and percolate and be known so that people would be familiar with it. When there are changes like that, you don't like to just dump them on people and have them inadvertently stumble into a transgression, so that was no doubt a large part of the delay. Sometimes when you're out there, it's a question of estimating how much it's going to take in time, cost, and effort. But I can't say.

MS M. LAING: Well, I certainly wouldn't deny the need for the kind of education that went on.

My second question is in regard to the Stepping Stones program. I guess the corollary to that is not only providing role models but also recognizing that discrimination on the basis of gender and sexual harassment is a great barrier to women's advancement, particularly in nontraditional careers. I'm wondering what kinds of initiatives went on in concert with the providing of role models to address those very real barriers.

MS McCOY: It's an ongoing thing. What we have to talk about is attitudinal changes. How do you change the attitude? It's like the joke: how many psychiatrists does it take to change a light bulb? The answer is: one, but the light bulb has to really want to change.

MS M. LAING: That's what they say about psychologists.

MS McCOY: Yeah. It's an ongoing process. I do see the attitudes changing. Stepping Stones is only one small part of it, but one of the advantages of that program is to have junior high school boys seeing a pilot . . . I mean, we've had the most wonderful questions from the children that have been relayed back to me. One of them, for example, was a fire fighter, and this young boy was sitting there and saying, "You can't be a fire fighter." She said, "Well, I am," and he said, "No, you can't be; no fire fighter can be wearing high heels."

MR. CHAIRMAN: [Inaudible] break up this love-in.
Mrs. Laing.

9:30

MRS. B. LAING: Thank you, Mr. Chairman and Madam Minister. On page 3.84 of the public accounts, vote 1.0.6 shows an authorized budget for the communications division of Departmental Support Services totaling \$45,785. However, the actual amount expended was \$420,551. Could the minister explain this overexpenditure, please?

MS McCOY: Yeah. I was just thinking that there are lessons to be learned for ministers. I wonder how he got away with it. I must ask sometime.

Again it's because of the new codes. It was part of a special warrant. I take it that external media advertising took up the bulk of that. It was something just under \$415,000, so that was most of it. It was covered by the special warrant.

MRS. B. LAING: Supplementary. Were there any other services that had to be curtailed by the department in order to generate this money for communications?

MS McCOY: As it happened, no.

MR. CHAIRMAN: Thank you.
Mr. Bradley.

MR. BRADLEY: Thank you, Mr. Chairman. I appreciated the minister's opening remarks. They were most enlightening in terms of the activities of her department and the major items over the past year.

I have a question, and perhaps it's because I'm not an accountant that I'm asking this question. On page 3.83, and I'm not sure if it's vote 6 - it's under Statutory Appropriations relating to the personnel administration office revolving fund - you look down at Total Statutory 1989 and see Expended actually suggests an overexpenditure of \$34,120. I take it the department actually took in a surplus of revenues from the personnel administration office revolving fund of \$34,120. Then I turn to page 4.20 of the public accounts, the personnel administration office revolving fund, and I note for 1989 there's a deficit for the year of \$23,753. I'm trying to reconcile the balance sheet of the personnel administration office revolving fund with the suggested surplus on the General Revenue Fund expenditure account now. Maybe Mr. Salmon might be able to explain this to me, but the two pages don't seem to balance. I know one's the balance sheet of the actual operating fund, but I'm trying to find out in my own mind as to how that relates to what's in the General Revenue Fund expenditure side.

MR. CHAIRMAN: Well, that's a very detailed question, and I don't know whether the minister wants to deal with it. I'll let her have the opportunity, but I'd just like to say that probably you could talk to Mr. Salmon later and he might be able to provide it.

MS McCOY: We had a deal that rather than me talking in circles on a revolving fund, I would ask Mr. Dixon to respond to any questions on that. He said he would. You remember that? You said you would.

MR. DIXON: My comment was that it's about as easy to explain as why the GST doesn't result in more taxes being collected.

It is a complicated technical item, Mr. Bradley, but my understanding is that in that year we operated at a loss of \$23,753, and the sum of \$37,888 was in fact a draw, an advance, to cover that loss. What we do with the revolving fund is aim at having a balance. We provide services to departments, we pay for them in advance, and then we charge the departments. So we have to do an estimate on what our staff training and development needs are and what we anticipate we'll be spending for the year, and usually we come in fairly close to that balance. Some years we're over. A few years ago we had a surplus of \$200,000. In this particular year we had a loss of \$23,000 and we needed to obtain an advance to cover that. I hope that's correct, Mr. Salmon.

MR. BRADLEY: Well, perhaps you could explain exactly what this revolving fund does.

MR. DIXON: A mechanism to allow us to act on behalf of all departments to obtain training and staff development support for them by going out and acting as a broker with various institutions and consultants and so forth who provide training and development programs or make them for us. We pay them to do that, and then we charge the departments on a prorated basis, depending on their attendance at those programs, for their attendance. So it's really just a mechanism of exchanging the money from departments to the people that are providing the services in a revolving fund established to do it.

MR. BRADLEY: Just one further supplementary, if I may. I note that for the '89 year-end there's an accumulated deficit of \$65,376 in the fund. The previous year there was a \$41,000 deficit taking into consideration the previous year's revolving accounts. It doesn't appear that there was money budgeted to bring this back to a balance in the '89 year given the previous year's deficit.

MR. DIXON: We've been running a deficit for the last several years. But our volume of business is around \$600,000 to \$700,000, so it's not a significant deficit. The first few years we had the program we built up a surplus of something like \$250,000 that we returned to general revenue. So it's difficult to estimate accurately the balance point, but I would say that over the years we've operated the operating fund it's been balanced.

MR. BRADLEY: Thank you.

MR. CHAIRMAN: Mr. Gesell.

MR. GESELL: Thank you, Mr. Chairman, and good morning. There have been a number of questions on special warrants, and I also want to ask about special warrants. I'm on page 3.82 of the public accounts, vote 4. Now, there were some explanations to the Member for Ponoka-Rimbey with respect to extra labour because of the code that was proclaimed in November '88. But my question relates to purchasing of fixed assets in a special warrant for \$219,500, which was issued well after the fiscal year was under way. Could the minister indicate to this committee why those purchases were not predicted? Perhaps the answer to Mr. Jonson may relate to this, but why wasn't it predicted and accounted for in the estimates? Assets are somewhat different from labour.

MS McCOY: That's vote 4?

MR. GESELL: Yes.

MS McCOY: The Labour Relations Board. Did I mention that they're an independent adjudication? Again that was following the new Labour Relations Code, and again we are constrained by the protocol, which is that you can't spend the money until you have the legislative authority and also the budgetary authority, which in this case is a warrant because we weren't sitting. Had it been in the House, it would have been else. Because they weren't quite sure when they were going to proclaim the Act, we weren't in the House when the estimates were brought in. First of all, we had to get the Act proclaimed, and secondly, we had to get full budgetary approval, and then they proceeded with implementing it.

MR. GESELL: Well, I'm still a little bit confused. What fixed assets are we talking about? Are we talking about hardware, computers and things? I'd just like to get an indication what it was for.

MS McCOY: Yeah. In this case the Labour Relations Board was bringing in an automated system so they could network across Alberta. Again, the nature of their new duties required - for example, the certification vote is possibly the simplest example, which they had not had to do before, but now, in a moment's notice, they have to be ready to go anywhere in Alberta. So they have put in personal computers. They've developed a data base that is accessible from a number of points in Alberta.

9:40

MR. CHAIRMAN: It's now twenty to 10, and I'd like to bring that portion of the meeting to a conclusion, if I may. First of all, I'd like to apologize to those members that didn't get in to ask questions today, but I will endeavour to recognize you first next week, if I may.

To the minister, I'd like to thank her and members of her department for appearing before the committee this morning and answering our questions in a most comprehensive and informative way. Also, thank you for your opening statement, which I think anticipated many of the questions the members were likely to put to you. So thank you again.

MS McCOY: Thank you, Mr. Chairman.

MR. CHAIRMAN: Now, with respect to the budgetary item, let me just say that I really do not have to bring that before the committee, but from a point of view of protocol, et cetera, the budget does go before the Members' Services . . . Why are hands up?

AN HON. MEMBER: We want to speak. We want to speak to the budget.

MR. CHAIRMAN: Oh. Well, just let me explain, if I may, just how I would intend to deal with it and see if I can get the concurrence of the members with respect to this process.

I think the Members' Services Committee, which will approve this budget or reject it as they see fit, would welcome a recommendation from this committee itself. That's why the matter is on the agenda and before you. By the way, we're dealing with the November 30 budget submission. So if you would look at the budget you have before you, it should have November 30 on it at the bottom of the sheet. I think the most efficient way of dealing with this would be for me to accept a motion to approve the budget for recommendation to the Members' Services Committee and then accept amendments to that motion that might involve deleting some of the line-by-line items that are in the budget proposal.

I see some hands with respect to that. Mr. Bruseker.

MR. BRUSEKER: Mr. Chairman, I think perhaps before we have a motion it might be more worth while if you were to go through and perhaps provide us with some explanation before . . .

MR. CHAIRMAN: I'd be prepared to do that, and I think I can do that fairly briefly. I will do that. Is that acceptable to

members of the committee? Agreed?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: Okay. All right. The major change at the top is that under Salaries, Wages and Employee Benefits there's a new item in the amount of \$1,015. That's because contained within this budget proposal is an item involving attendance at the Canadian Comprehensive Auditing Foundation conference. It's an annual conference that takes place in either Montreal, Toronto, or Ottawa. It's an association that involves Auditors General from across the country as well as private-sector auditors and administrators from major public institutions. It's an association that tries to promote greater accountability in the public sector, and from my point of view, I think it's something public accounts committees should take a considerable degree of interest in.

Are there questions with respect to that?

MR. LUND: Mr. Chairman, it's fine to have that in there, but I still don't know exactly what Allowances and Supplementary Benefits is for.

MR. CHAIRMAN: This is for membership for the chairperson of the Public Accounts Committee, and it includes registration fees for both the chairman and the deputy chairman or the co-chairman of the Public Accounts Committee to attend the annual conference. The annual fees are quite expensive for that particular conference.

Ms Black.

MRS. BLACK: Mrs. Black.

MR. CHAIRMAN: Mrs. Black.

MRS. BLACK: Thank you, Mr. Chairman. Is this different from the annual conference of public accounts?

MR. CHAIRMAN: Yes. It's a new item. It involves attendance, as I say, at the Canadian Comprehensive Auditing Foundation conference that takes place in eastern Canada usually sometime in November or early December. So it's a new item. It's not the conference of chairs of public accounts committees of Canada. It's a different conference.

MRS. BLACK: Do you think it would be necessary to attend both, or have we eliminated the other conference?

MR. CHAIRMAN: No, no. We will continue . . . I mean, there's a budget submission in here to maintain the past practice of attending the Canadian Council of Public Accounts Committees conference, which this year will be held in Winnipeg sometime during August, but this is a very different organization.

I've actually attended the last three or four annual conferences of the Canadian Comprehensive Auditing Foundation. I've used my bonus points, plus because I was on the executive of the national Canadian public accounts committees, they waived my registration fee. So it was a relatively inexpensive item for the Public Accounts Committee. But what I'm recommending here is that we send the Chair and the co-Chair of this committee as a matter of practice to this conference on an annual basis. What you learn at that conference I think is really quite important with respect to public sector accountability. I might point out that

Legislative Offices sends two people to this conference on an annual basis as well.

Are there any further questions with respect to that item?

MR. SEVERTSON: [Inaudible] a little bit, I guess. So the travel part would show up on another part of the budget then?

MR. CHAIRMAN: Yes, it will. The travel expenses will show up in another part of the budget, and I'll explain that as we go through it. Okay?

So that's that first item, Allowances and Supplementary Benefits. Under Salaries, Wages and Employee benefits there's a new amount of \$1,015 to pay for essentially registration fees for the chairman and the deputy chairman to attend the Canadian Comprehensive Auditing Foundation conference.

Under supplies and services there's an increase in the budget from \$12,000 to \$26,000. Now, the major increase here has to do with sending two delegates and two spouses to the Australasian Council of Public Accounts Committees, their biennial conference which will be held in May in Australia. Now, for the last two years . . . [interjection] Pardon? [interjection] Don't forget that you're sending the co-chairman of this committee as well, so be careful.

Let me just say with respect to this item that for the last two years there have been delegates from Australia attending our Canadian Council of Public Accounts Committees conferences, the one held here in Edmonton and then the one held in St. John's last year.

I think there's something to be learned from meeting with delegates from Australia, because they do have public accounts legislation contained in their law. It's important to see how public accounts are conducted in other jurisdictions within the British Commonwealth. And that accounts for almost the total increase in expenditures.

Perhaps I should just go through that. [interjection] No, it's basically the difference in the two items.

Mrs. Black.

MRS. BLACK: Thank you, Mr. Chairman. The cost of that conference would be roughly \$12,000 then?

MR. CHAIRMAN: Eleven thousand dollars - \$10,949.

MRS. BLACK: There isn't one closer to home?

MR. CHAIRMAN: Pardon?

MRS. BLACK: There isn't a conference closer to home?

MR. CHAIRMAN: I should point out here that Legislative Offices is planning on sending two people to this conference as well. That's their intention.

MRS. BLACK: How many do we need to go? Are we sending the spouses on this one as well?

MR. CHAIRMAN: That's correct.

MRS. BLACK: That's awfully extravagant, don't you think?

MR. CHAIRMAN: Well, it's up to the members of this committee to either reject or support the budget submission when we get to a motion on the floor, but that's built into the

budget and that's the major difference in that line item.

Mr. Lund.

9:50

MR. LUND: Is the other difference traveling to the one you mentioned earlier, the Canadian . . .

MR. CHAIRMAN: That's correct. There's also an item in the amount of \$4,746 to send two delegates, one staff, two spouses to the . . . No, that's to the Canadian Council of Public Accounts Committees. That's the annual conference which will be taking place in, as I say, Winnipeg this year. There's an item of \$4,597 to send two delegates and two spouses to the comprehensive auditing conference in Montreal in November. So that's getting it as well. Yes.

MR. LUND: I guess I've got a problem with having both the Australian one and this one coming in at the . . .

MR. CHAIRMAN: All right with that item? Then the next item would be the significant increase in pay to Members of the Legislative Assembly from \$25,370 to \$62,856. What is budgeted here and accounts for the increase is a proposal that the committee would meet outside of session to have more ministers appear before the committee than we're normally able to have during the regular sittings of the Legislature. If I weren't requesting those additional sessions, that budget item would be \$40,176 instead of the budgeted \$62,856. So there would be a difference of slightly more than \$22,000 contained in the budget, in other words, to provide for additional sittings of this committee.

Mr. Lund.

MR. LUND: You said \$40,000 and something instead of the \$62,000. Why that much increase from the \$25,370? I understand how you got to the \$62,000, but I'm wondering: how did you get from the \$25,000 to the \$40,000?

MR. CHAIRMAN: I'll go through it line by line for you. The chairman gets a salary for this committee. That's approved. That's part of that expenditure. If we went to all three conferences, there's a daily indemnity for members attending these conferences, and that would be in the amount of \$7,800. Part of attending those other conferences is contained in this budget as well.

MR. LUND: In other words, then, the \$1,015 and the \$4,000 and something for travel is only part of the story as far as attending . . .

MR. CHAIRMAN: That's correct. There's \$7,800 as well in the budget for attending conferences.

MR. LUND: How many days was the Australian trip?

MR. CHAIRMAN: Five days.

MR. LUND: And the Canadian auditors . . .

MR. CHAIRMAN: Five as well. So that's 10 days and five for the other. That's 15 days.

As well, there's a pension amount in there in the amount of \$4,365 that's greater than the sum budgeted last year of \$1,770.

Mr. Jonson.

MR. JONSON: Yes, Mr. Chairman. With respect to 715A00, I think we've had considerable debate on the issue of meeting outside of session time, and the decision of the committee on at least two occasions I can recall was that we meet during session. This year I expect we'll have had 18 or so meetings by the time the year is over. I think that is the decision of the committee. It's been well established. So I would move that we recommend or suggest - whatever the appropriate word is - to the Members' Services Committee that the budget item for 1991-92 be forty thousand . . . I didn't quickly write down the other figures you quoted.

MR. CHAIRMAN: That's \$40,176.

MR. JONSON: Yes.

MR. CHAIRMAN: Okay. Before I accept that motion, if it's all right with the member, can I hear from two other members, or do you want me to take that one? What I'd previously suggested is that we have a motion to approve this budget and then take motions that would in effect amend that motion by deleting or adding to the budget as proposed.

MR. SEVERTSON: Point of order, Mr. Chairman. Don't you make amendments first, then vote on the amendments and then the whole budget?

MR. JONSON: No, that procedure is fine, Mr. Chairman, except I'd like to be recognized for the amendment when the general motion is put.

MR. CHAIRMAN: Right, right. We would do that.

Are you ready for a motion to adopt the budget right now so that we can get on with . . .

MS M. LAING: [Inaudible] recommend that this committee recommend to Members' Services the adoption of this budget.

MR. CHAIRMAN: Okay. Thank you. We have a motion before the floor; now we can amend it. I would recognize Mr. Jonson as making a motion to amend the main motion, to delete the out-of-session expenditure that's contained in this budget, which would reduce . . . [interjection] Sorry.

MR. JONSON: I would move then, Mr. Chairman, that the amount for '91-92, code 715A00, be changed from \$62,856 to \$40,176.

MR. CHAIRMAN: Right. Just so members are clear on that, what that amendment does is delete the out-of-session meetings.

MR. LUND: Speaking against the amendment. I don't mean this as any criticism, but I wish we had the sheet you've got in front of you there, because I don't know what that number was as far as the cost of the Canadian accountants' convention. My disapproval of the amendment is: I would like to see the per diem for the Canadian accountants' convention that was going to be included in 715A00 deleted.

MR. CHAIRMAN: Well, that's a separate issue, and we may deal with that in a moment, Mr. Lund. If we could stick with the amendment, which is to delete, then we can get back to you and you can present a motion to that effect in a moment.

MR. HAWKESWORTH: Mr. Chairman, I see that we've got two minutes left, as I understand it, for the rest of our meeting. I don't think we can adopt this in that time anyway. Is there any way that if we were to table it for the week the Chair could circulate the different schedules that have been made reference to, and then perhaps when we come back next week we could pick and choose or make decisions on each of the individual items, if that's the way people want to approach it? [interjection]

MR. CHAIRMAN: Mr. Gesell had his hand up, and I meant to recognize him.

MR. GESELL: I appreciate that. I've got some difficulties with the amendment. I would prefer if it were a little bit more specific. If I understand the member correctly, he mentioned that we should not include in the budget costs for meetings outside sessions, and I agree with that portion. But I think the amendment, if I heard it correctly, went on to say that the budget then be reduced to \$40,000. That's where I have difficulties, because there may be further reductions we should look at and that might be precluded by this particular amendment.

MR. CHAIRMAN: No. You can bring those up. This is just one amendment, and I think we can vote on the amendment right away. Right?

MR. MOORE: Question.

MR. CHAIRMAN: Mr. Moore has called for the question. Those in favour of the amendment?

MR. GESELL: Well, I still want to speak to it.

MR. CHAIRMAN: Those opposed? The amendment's carried.

MR. GESELL: I'm sorry, Mr. Chairman. I had my arm up. I would like to be recognized. I had the floor. I asked for some procedural clarification.

MR. CHAIRMAN: Oh, okay. I thought that's what you wanted.

10:00

MR. GESELL: Have you voted? Let me then produce another amendment. If I understand this correctly, it relates to the same issue, but we're going to run out of time, Mr. Chairman.

MR. CHAIRMAN: Well, that wasn't a motion that Mr. Hawkesworth put. It was a suggestion.

MR. HAWKESWORTH: If you want it as a motion, you're welcome to accept that.

MR. CHAIRMAN: Well, I think that because our time for the committee meeting has expired, we'll have to come back to this item next day, and I will endeavour to provide all members with these other pages to this financial sheet. I'll try to indicate very clearly in the statement that goes out to members exactly how much money would be involved in the attendance of the Canadian Comprehensive Auditing Foundation conference and have that sort of separated out, if that's agreeable to the members.

Mr. Gesell wanted to be recognized, and I think I should recognize him.

MR. GESELL: I would want to carry on. I'm prepared to move an amendment. But, Mr. Chairman, there's one final comment I want to make, and that is this. You missed my comment last week when we talked about this issue. We were in Public Accounts when you indicated that maybe Members' Services needs to approve this particular budget we're talking about. As a member of Public Accounts, I feel it's important and critical that we scrutinize our own accounts, our own budget.

MR. CHAIRMAN: That's what we were going to do.

MR. GESELL: I appreciate that, and I would move adjournment now.

MR. CHAIRMAN: Are you agreed that we adjourn?

HON. MEMBERS: Agreed.

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

