



Legislative Assembly of Alberta

The 27th Legislature
Third Session

Standing Committee
on
Public Safety and Services

Department of Service Alberta
Consideration of Main Estimates

Wednesday, February 17, 2010
6:31 p.m.

Transcript No. 27-3-2

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Third Session**

Standing Committee on Public Safety and Services

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Kang, Darshan S., Calgary-McCall (AL), Deputy Chair
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Wednesday, February 17, 2010

[Mr. Drysdale in the chair]

**Department of Service Alberta
Consideration of Main Estimates**

The Chair: Okay. I'll call the meeting to order. It's 6:31, so we'd better get started. Welcome, everyone, to the meeting. I note that the committee has under consideration the estimates of the Department of Service Alberta for the fiscal year ending March 31, 2011.

We'll go around the table and introduce ourselves, and the minister will introduce the staff at the table. I'm Wayne Drysdale, MLA, Grande Prairie-Wapiti, chair.

Mr. MacDonald: Hugh MacDonald, Edmonton-Gold Bar. Good evening.

Mr. Griffiths: Doug Griffiths, Battle River-Wainwright.

Dr. Brown: Neil Brown, Calgary-Nose Hill.

Mr. Xiao: David Xiao, Edmonton-McClung.

Mrs. Klimchuk: Heather Klimchuk, Minister of Service Alberta, with Cam Traynor, communications; Paul Pellis, my deputy; Althea Hutchinson from finance; and Carol Anderson, my executive assistant.

Ms Calahasen: Pearl Calahasen, Lesser Slave Lake.

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

The Chair: Okay. I guess I need a member to move that Hugh MacDonald, MLA, be designated deputy chair for the February 17, 2010, meeting of the Standing Committee on Public Safety and Services.

Mr. Xiao: I move that.

The Chair: Moved by David Xiao. All in favour? Opposed? It's carried.

I'm just going to go through the process so that everybody is clear on the schedule for tonight, so bear with me. I'll read through the process here.

Standing Order 59.01(4) prescribes the sequence as follows:

- (a) The Minister, or the member of the Executive Council acting on the Minister's behalf, may make opening comments not to exceed 10 minutes,
- (b) for the hour that follows, members of the Official Opposition and the Minister, or the member of the Executive Council acting on the Minister's behalf, may speak,
- (c) for the next 20 minutes, members of the third party [Wildrose Alliance] if any, and the Minister or the member of the Executive Council acting on the Minister's behalf, may speak, and
- (d) any Member may speak thereafter.

With the concurrence of the committee the chair will recognize the members of the fourth party, the NDP, if any, following the members of the third party, and for the next 20 minutes the members of the fourth party and the minister or the member of the Executive Council acting on the minister's behalf may speak.

I will call for a short break following the Official Opposition's time at approximately 7:45 p.m. for five minutes.

Committee members, ministers, and other members who are not committee members may participate. Department officials and members' staff may be present but may not address the committee.

Members may speak more than once; however, speaking time is limited to 10 minutes at a time. A minister and a member may combine their time for a total of 20 minutes. Members are asked to advise the chair at the beginning of their speech if they plan to combine their time with the minister's time.

Three hours have been scheduled to consider the estimates of the Department of Service Alberta. If debate is exhausted prior to three hours, the department's estimates are deemed to have been considered for the time allotted in the schedule, and we will adjourn. Otherwise, we will adjourn at 9:30.

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

The vote on the estimates is deferred until Committee of Supply on March 18, 2010.

An amendment to the estimates cannot seek to increase the amount of the estimates being considered, change the destination of a grant, or change the destination or purpose of a subsidy. An amendment may be proposed to reduce an estimate, but the amendment cannot propose to reduce the estimate by its full amount. The vote on amendments is also deferred until Committee of Supply on March 18, 2010.

Written amendments must be reviewed by Parliamentary Counsel no later than 6 p.m. on the day they are to be moved. Seventeen copies of the amendments must be provided at the meeting for committee members and staff.

I'd like to now invite the Minister of the Department of Service Alberta to begin her remarks.

Mrs. Klimchuk: Thank you, Mr. Chairman. Before getting to the financial figures, I'd first like to talk more broadly about the ministry's focus this year. Last year I spoke about how the current financial pressures facing the government actually presented an opportunity, an opportunity to look carefully at how our ministry functions and how it can be improved. This past year we've done exactly that.

In 2010-11 we plan to transform the way Service Alberta operates, leading to better service for Albertans and more efficiency for the entire government. Our goal with this transformation is to standardize a number of services provided to other government ministries, making the government more efficient, streamlined, and cost-effective. We looked carefully at how our ministry operates and how the government as a whole operates. There are a number of things we're planning to do and in some cases have already done to make Service Alberta and the entire government more efficient.

To support this process, we are undertaking a workforce adjustment of the ministry involving 410 positions. The majority of this workforce adjustment is being managed through attrition and some vacancies, but a number of staff are being laid off. All employees are being dealt with fairly and in accordance with contractual obligations and the Alberta government's visions and values. The tax dollars saved from this workforce adjustment will help the ministry meet its budget targets this year and next year. It will also assist the ministry in transforming its business.

Mr. Chairman, Service Alberta provides services directly to Albertans and provides critical support to government as a whole. The work of Service Alberta is often behind the scenes and under the surface, but it impacts an incredible amount of day-to-day life in our province as well as the ability of the government as a whole to operate efficiently and effectively. The programs the ministry delivers for Albertans include registries, business licensing, landlord

and tenant services, vital stats, consumer protection, and many other services. Services provided to government include technology support, procurement services, interdepartmental mail and courier services, payroll, records management, and government libraries.

The ministry's vision is simple: one government, one enterprise, and one employer driving innovation and excellence in service delivery. This year we'll be taking even greater steps towards this vision.

Service Alberta's business plan outlines goals and strategic priorities for the next three years that link closely with the priorities assigned to me by the Premier as well as government's overall priorities. Under this core service we have numerous initiatives planned for the coming year to ensure the people of our province have accessible, integrated, and quality services.

We plan to continue protecting consumers in many different ways, including modernizing consumer legislation, including the Fair Trading Act and the Condominium Property Act; continuing to protect consumers by investigating and prosecuting cases of unfair practices; implementing a revitalized consumer awareness and education program that enables consumers to make informed and responsible decisions; and promoting the services of the offices of the Utilities Consumer Advocate through a comprehensive awareness and education program. These are just a few examples of how we will continue improving services for Albertans this year.

Service Alberta also provides corporate and shared services to ministries. For example, Service Alberta is responsible for the timely delivery of tens of millions of pieces of mail each year to government departments, and every year the ministry handles the photocopying of millions of documents for government ministries. The ministry works collaboratively across government to improve the ability of departments to deliver government programs and services, reducing duplication of services, and, ultimately, better serving the public.

In the business plan there are a number of strategies planned under this core business over the next three years. It is in these areas that we'll see a significant transformation of Service Alberta in the coming year and beyond. We will be introducing several changes that will re-engineer existing approaches to internal government services. Some of these are that the government's process for acquiring goods and services will be reviewed to maximize the government's buying power; government contracts will be simplified and standardized to make it easier for businesses to bid; and electronic invoicing will expand, making it faster for private vendors to be paid.

Computer hardware, cellphones, and hand-held devices for government employees will be standardized, with common vendors selected to provide these services. Software licences will be purchased for the entire government rather than individual ministries buying their own licences. The potential of creating a web-based procurement system and selecting a common service provider to manage all government printers, photocopiers, and faxes will be explored. Together these initiatives will make government more efficient, save tax dollars, and make it easier for companies to do business with government.

6:40

In addition, we plan to do the following: continuing to lead and manage efforts to strengthen information technology security systems; working with other ministries to continue Alberta SuperNet progress by enabling high-speed broadband availability to schools, health care facilities, libraries, government facilities, and Albertans regardless of their location in the province; through a long-term data centre strategy, planning for additional capacity to meet evolving

business requirements of the government; continuing to implement the information and communications technology service co-ordination initiatives plan that is driving towards a consistent, government-wide solution for IT infrastructure, resources, and new technology adoption across ministries; exploring centralized locations for library services; and demonstrating innovation in service delivery through alternate delivery models for print, mail, and record services.

Mr. Chairman, these are just some of the initiatives Service Alberta has planned over the next three years. Together they represent a major transformation of the way Service Alberta and the entire government operates, something I'm very excited about, and so is my entire team at Service Alberta. These changes will lead to better service for Albertans and will help make government more efficient.

Now, moving on to the estimates, I will now outline the funding we require as I present the ministry's estimates for the 2010-11 fiscal year. The overall amount to be voted for expenses and equipment/inventory purchases is \$348 million, as noted on page 337 of the government estimates book.

Ministry support services. Of the overall estimate, \$9.7 million is for ministry support services. This includes funding for the minister's office, the deputy minister's office, and corporate services.

Services to Albertans. The estimated budget for the ministry's first key program, services to Albertans, is \$61.4 million, including equipment purchases. This funding will support registries, which includes land titles, motor vehicles, and other registry services. It also supports consumer services, which includes consumer awareness and advocacy and the Utilities Consumer Advocate.

Services to government. The estimated budget for the ministry's second key program is \$277.7 million, including amortization and equipment purchases, which will help Service Alberta to continue providing efficient and effective services to other government ministries. These services provided to government include many key responsibilities: mail and courier, records management, government libraries, procurement services, processing government invoices, Crown debt collection, management of the government's payroll system, vehicle services, data centre operations, software licences, the running of the SuperNet, and support and security of the government's computers.

As well, there is \$110 million estimated for capital investment, primarily for the following initiatives: Alberta SuperNet ring closure, a case system which supports the social-based ministries, and the justice information management system.

In conclusion, these are the 2010-11 estimates for Service Alberta. The estimates you'll be voting on will support us in our overarching goal to achieve service excellence within and outside government. As I've said, this past year has proven to be an excellent time for our ministry to look carefully at its core mandate and critical services and make sure we're delivering them as efficiently and effectively as possible. Service Alberta is in a unique position to introduce corporate approaches that will make the government as a whole more efficient and improve the way services are delivered to Albertans. In 2010-11 and beyond we plan to do that.

In conclusion, I want to emphasize what an incredible team I have working with me at Service Alberta. I only have a few of them here with me today, but many of them just offer so much talent and skills and knowledge to support me. I'm looking forward to the coming year to see what we can achieve together.

This concludes my presentation, Mr. Chairman, and I thank you all for your time and attention.

The Chair: Thank you, Minister.

The next hour will be with the Official Opposition, and that's Mr.

MacDonald. I assume you have an agreement to go back and forth for the hour, or do you want to speak first?

Mr. MacDonald: No. I would much prefer to go back and forth for the hour, a question and an answer, and continue from there, Mr. Chairman, if that's okay.

The Chair: That's good. You have an hour.

Mr. MacDonald: Is that agreeable to you, Madam Minister?

Mrs. Klimchuk: That's fine.

Mr. MacDonald: Okay. I would like to please start, then, on page 340 of the Service Alberta estimates from 2010-11, and I would like to first talk about element 2.2.1, consumer awareness and advocacy. According to the estimates there is a \$5 million, or a 20-plus per cent, reduction in the budget when you compare it to the 2009-10 forecast, yet the last annual report notes for the consumer contact centre that in the last five years call volumes have increased by over 35 per cent, with volumes now up to more than 243,000 calls per year. That's on page 12 of the annual report. If the ministry is reporting increased call volumes for consumer issues, why are funds for consumer awareness and advocacy being cut by \$5 million?

Mrs. Klimchuk: Okay. Thank you. I'm certainly pleased to address that. If you look at the 2010-11 estimate and you go back to the 2008-09, what was actually spent is \$20,793,000 in '08-09. The figure of the '09-10 budget last year was \$24,177,000. At that time we had made plans to expand the RTDRS service, and we were going to be opening more offices in other parts of Alberta. What we have discovered is that we are not opening those offices because of the use of video conferencing and teleconferencing. So, in essence, the decrease in consumer awareness and advocacy is just probably under a million dollars, not \$4 million because we did make that change.

Mr. MacDonald: Well, I'm comparing it to the forecast in 2009-10, and if you look at your annual report, you will see where the calls are up 35 per cent. Do you have any data that suggests that actual consumer complaints are decreasing?

Mrs. Klimchuk: No. They're not decreasing. I think consumers are calling us more for good information, which is really important to me as minister, that they are calling us. I think when you look at the estimate, you know, all of those numbers there, I know that the original budget in '09-10 was because that was opening more offices, but we managed to find the savings there by using the video conferencing and all of the things available. This encourages people to stay in their community. They can access and solve their concerns without having to come into the larger cities or the larger centres. So that's what we are doing there.

Mr. MacDonald: Okay. Well, that's interesting.

Now, the department, or the ministry, lists in its most recent business plan on page 235 a strategy to implement a revitalized consumer awareness and education program. My question would be: how does the department square this strategy with cutting funds for consumer affairs and advocacy?

Mrs. Klimchuk: Well, part of that funding is, again, using the technology to deliver the services, and that does not mean that consumers and Albertans can expect less. It means that we can

make it more convenient for them to get the information they need. In that area, when you are looking for office space and all those kinds of situations, that's where we look for the cost savings. If you look in my business plan, everything that we're doing, you know, when you look at outside-facing work versus the inside-facing work that we do between ministries: it's very important that consumers know they can still call and get the information they require, and that includes the RTDRS as well.

Mr. MacDonald: Okay. You're talking about finding \$5 million in cuts, and you're going to have an improved IT function pick up this difference. Will the department make any reductions in the consumer contact centre either in the number of staff taking phone calls or in the number of hours of service available in a 24-hour day?

6:50

Mrs. Klimchuk: Well, I know we run the consumer contact centre from early in the morning till 5:30. We have incredible staff there who have so much knowledge. We have staff that work out of the call centre; we have staff that work from home as well, so it's a wonderful partnership. The calls that we get to the call centre are being answered. It's my feeling that we will continue to staff those positions because those are very important outward-facing positions that Albertans expect us to do.

Mr. MacDonald: Okay. Given, again, that you're going to find \$5 million in cuts, will there be fewer investigators available to assist Albertans with their consumer complaints? Are you reducing the number of investigators?

Mrs. Klimchuk: With respect to investigators I believe that at any one time we have a number of investigations going on across government, whether it's, you know, under the Fair Trading Act or whether it's a concern with a utility company or those kinds of things. I would venture to say that that's something that I want to make sure that we continue to investigate and make sure the investigations are done in an expedient manner, to make sure that they are done properly, and that we do not take a longer time. Now, maybe it might take a bit longer, but I'm optimistic, because of the talent that we have there, that we will be able to investigate and support Albertans when they do call us.

Mr. MacDonald: Okay. Thank you for that. Now, how many consumer affairs personnel does Service Alberta employ, and has the number of employees gone down, or has it remained the same over the last five-year period?

Mrs. Klimchuk: You talk about numbers. You know, I've toured the department and seen the people working in all those areas, the people here. There are also people in Calgary. The whole area: when you look at Service Alberta, the number of employees it does have, one of the larger number of employees of all the departments, my feeling has been that of any movement that has been there, it's people that have planned to move on. Then we've been able to bring in other people that want to do those jobs and have the experience and want to learn that particular role.

Mr. MacDonald: Okay. Now, there have been concerns raised in the public and in question period and a lot of other venues throughout the province about the speed at which the department, Service Alberta, seems to be addressing consumer issues relevant to Alberta consumers. There seems to be, unfortunately, a lack of confidence in the whole aspect of consumer protection in this province. My

next question would be: will these cuts that we are discussing further lengthen the amount of time it takes Service Alberta to address outstanding consumer issues such as the shoddy residential construction practices, unethical home moving companies, or inflated secondary ticket sales?

Mrs. Klimchuk: I guess I'd have to disagree with you. I think that under the Fair Trading Act and under many of those things that you have just raised, sometimes it does take a bit longer, but all investigations are being dealt with as quickly as possible. I believe some of the actions that we have taken with respect to protecting consumers, especially with respect to employment agencies – the fact that we were able to take an employment agency individual to court and charge them and he had to pay back the individuals that he had charged was really important to me. So I believe that the Fair Trading Act has teeth that I want to keep pursuing.

If you look at the other areas that we're looking at, as I mentioned before with respect to home inspectors or all of those things, the Condominium Property Act, there is a whole diverse area that we're going into.

With respect to shoddy building practices that's more with respect to the Minister of Municipal Affairs under the building codes, so that's something that, you know, when we do the Condominium Property Act review, we're going to be sticking with that. Somewhat related, of course, are the shoddy building practices that have happened this last couple years in Alberta, and that's with respect to the building codes.

Mr. MacDonald: Thank you. Speaking of the Condominium Property Act, are these budget cuts the reason that Service Alberta will not even begin consultation on revisions to the Condominium Property Act until next year?

Mrs. Klimchuk: No. We have had a vision and a plan right from the get-go. We began to get letters this last year coming in on a regular basis with respect to individual stories and some of the tragedies that were out there and some of the questions I've had in question period. Right now we have what's called a working committee that's been struck with a whole bunch of different stakeholders, whether they're real estate, consumers, the legal part. What we're looking at right now is narrowing down some of the areas and looking at the areas that we need to look at: the reserve fund, access to condo documents, the board meetings, those kinds of things. Right now that committee is doing the lion's share of work, so when we begin the consultation in spring of 2011, we'll be in an excellent position to have a great consultation so that we can move along and move it forward. The last time it was reviewed was 10 years ago, so I want to make sure that whatever we do is done properly and that we, again, do it the right way and what's best for Albertans.

Mr. MacDonald: I think the hon. Member for Battle River-Wainwright would be an ideal person to chair that committee.

Mr. Griffiths: I've got to take exception to that, too. We'll see.

Mrs. Klimchuk: Okay. I'll keep that in mind.

Mr. MacDonald: Now, if I could please move on to element 3.1.1, procurement and administration services, you mentioned that in your opening remarks, hon. minister. In the 2010-11 budget it is estimated to be over \$8 million less, or 15 per cent less, than the 2009-10 forecast. Service Alberta has identified procurement standardiza-

tion as one of its key cost-saving initiatives, as Alberta Health Services has done as well. Is this initiative really a dramatic change for Service Alberta in terms of its role in procurement? I can remember debating these estimates quite a number of years ago, when the department was first formed, and that was part of the sales pitch as to why we needed this Service Alberta department.

Mrs. Klimchuk: Right. The mandate that I have with respect to the one government, one enterprise approach and the whole area of acquisition of goods and services and procurement is that it's a huge savings that we can find. It's as simple as purchasing paper or just maximizing the government's buying power. As well, it's our contracting processes and procedures. It's even as simple as managing the government's printers, photocopiers, and faxes, so there are huge wins there. There was a lot of disparity across departments when I became minister, so that's something I've looked at very carefully. The whole procurement area becomes a win-win for government and a win-win for consumers as well.

Mr. MacDonald: Thank you. What is the timeline from start to finish for implementing the procurement standardization project?

Mrs. Klimchuk: We began the work some time ago. It's probably about a two-year process, whether it's looking at the P-cards that staff use, whether it's looking at, you know, how we manage records, how we manage information. It's about a two-year process. It's also about the IT systems that we have and making sure that everyone is on the same page.

Mr. MacDonald: Now, you mention the procurement re-engineering on page 233 of your business plan. Will the ministry measure and report progress on this initiative in future business plans and annual reports, and will you be able to share with us how much money you expect to save in the future as well?

Mrs. Klimchuk: Yeah. That's something that as we move along the process, it's very important to me that we track our successes, that we also track where we haven't done so well as well. That's very important for me to have as a tool and to have something to measure our wins. This is a really good area to look at that in terms of savings as we move forward, so that's something that I will be watching very closely as we move along the process.

7:00

Mr. MacDonald: Thank you. Can the minister please explain this initiative further by sharing any specific examples of wasteful spending that resulted from nonstandardized procurement systems?

Mrs. Klimchuk: Well, I guess a really good example for me is in the IT area, the licensing: having one licence for 23 departments, not 23 licences. Looking within departments at some of the access to the different programs that some individuals may have: what's necessary; what do you really need to do a good job; you know, what kinds of bells and whistles? So those are areas that seem obvious. They seem like some could say: well, why didn't we do that sooner? Part of Service Alberta's approach, the thread that runs through all 23 departments, is to be consistent and to look at things like that. That, to me, is a very obvious win, whether you're an IBM, whether you're a Microsoft, whether you're a Bell, or whatever, looking at the one licence approach with all of the programs. Just like when Windows is updated, you know, how many times do we update that? That is, to me, a real obvious win.

Mr. MacDonald: Now, you seem to be looking at reductions in the contract management unit. Am I correct in that assumption?

Mrs. Klimchuk: What are you looking at? What section?

Mr. MacDonald: Your contract management unit in procurement and contracting decisions.

Mrs. Klimchuk: Well, with respect to contract practices across government, Service Alberta is responsible for the RFPs and supporting the government departments. When they do the RFPs, we have a very strict process in place with respect to tenders, requests for qualifications, requests for proposals, and then following through, meeting with the individuals who have been on the project, who don't necessarily get the project. So part of that is having a consistent approach across government. In that area, again, that's an important area to work on.

When I say decreasing administration costs and efficiencies, that's the crux of this because if we don't have a standard across government, it means that each department is reinventing something every time, we have to reinvent and do something different. If we have a standard in place that's good and usable and effective, then that's the standard we should be using. That's where we get at the savings in administration costs and creating efficiencies. That's where it will happen.

Mr. MacDonald: Okay. Does your office have the final say in whether a sole service contract is issued? Am I correct in assuming that you're doing this for the entire government sector, including Executive Council?

Mrs. Klimchuk: Our process is open and transparent, and we support the other government departments with respect to their contracts and RFPs. That's very important, the process that we have.

Mr. MacDonald: So who determines whether a potential government contract is either going to be tendered or whether it will be delivered through a sole service contract?

Mrs. Klimchuk: Well, that would be a decision of the particular minister. But most of the time if you're going to do business properly, you want to get the best of the best and get as many people coming to the table as possible. That's what has certainly been encouraged since I've been here.

Mr. MacDonald: So if there are exceptions and there's a sole service contract signed, it's the minister of the respective department that would make that decision, not Service Alberta?

Mrs. Klimchuk: And that would have to be justified. That's correct.

Mr. MacDonald: Justified to you?

Mrs. Klimchuk: Yes.

Mr. MacDonald: Wow. Okay. That's good to know.

Now, if significant savings do not materialize from procurement standardization, is your department on the hook to find the anticipated savings in another portion of your budget?

Mrs. Klimchuk: Well, I am very confident that we are going to be able to find those savings. I just feel that there is so much, again

going back to a win there for the government and for what we can do. I'm confident we are going to find those savings. It's all about, you know, the things that are there: procurement re-engineering, technology re-engineering.

The other thing is the core standard shared services. Something since I've had the privilege of being an MLA and a Minister of Service Alberta is the sense of collaboration that we have between ministries. Typically, when you go and do something, there should be three or four of you at the table, not one of you. That's something that I take a lot of pride in because with collaboration and working together as a team, you're in an even better position to find more savings as we go along.

Mr. MacDonald: I just quickly looked up schedule 5 of your annual report for 2008-09, and it indicates that you overexpended your procurement and administration services budget by \$4.1 million last year. It was \$58 million in total. So you can confidently tell this committee tonight that you're going to be able to operate on that amount that is requested and that you will see the realized savings?

Mrs. Klimchuk: Part of what you're referring to there is what's called chargebacks between ministries. When we go into a department and do a particular thing, then there's a chargeback back to Service Alberta for the role we've played. That's what that number is.

Mr. MacDonald: Okay. Overall, I think you had an \$8 million surplus in your budget last year, which is a lot better than Alberta Health Services if there's a standard there. Now, the achievement bonuses for management and opted-out employees last year were \$2.8 million. In last year's budget we had quite a discussion on this, and it was hidden inside these amounts. Am I to assume that this budget has been reduced by \$2.8 million to reflect the fact that we're no longer paying these bonuses?

Mrs. Klimchuk: Most definitely. My whole budget reduction is 15 per cent, so most definitely.

Mr. MacDonald: And that achievement bonus amount is included in that?

Mrs. Klimchuk: Yeah.

Mr. MacDonald: Okay. I appreciate that. Now, if we could have a look, if you don't mind please, at your information management and technology line, specifically on page 340, line item 3.2.1. Why is the forecast for technology operations and infrastructure \$18.5 million above the budgeted amount in 2009-10?

Mrs. Klimchuk: That, again, relates to the chargeback and how much volume is being driven by the individual departments that we're working with. That's where that's coming from.

Mr. MacDonald: Okay. What extra expenses accounted for this significant difference?

Mrs. Klimchuk: Well, I guess part of the thing is some of the shared services that we have for departments: mainframe application hosting, desktop support, service desk, hosting legacy applications, and supporting services in data centre operations. In any of those areas, you know, some of that technology infrastructure, that's where some of those dollars are.

Mr. MacDonald: Okay. For instance, we'll use last year and the \$8 million. Would that be operational funding, or would it be capital funding?

Mrs. Klimchuk: I think that would be ongoing operations. It's operations.

Mr. MacDonald: Operations. So that surplus is rolled over or reallocated back into the general revenue fund at the end of the fiscal year, correct?

Mrs. Klimchuk: Correct.

Mr. MacDonald: Okay. Thanks. Now, again we've got to refer, if you don't mind, back to the business plan going through to 2013. What is your timeline for implementing the technology re-engineering project as outlined in the business plan? Again, how will you measure and report progress on this initiative in future business plans, please?

7:10

Mrs. Klimchuk: It would be two years. On the technology re-engineering?

Mr. MacDonald: Yes. [A cellphone rang] Your phones really work well in that department.

Mrs. Klimchuk: It's all planned, right?

It would be two years, and part of that technology re-engineering – a couple of things that I can add to that. Certainly what we've been working very hard on is an evergreening strategy across government with respect to technology and the computers that we all use and depend upon in all of our offices. The evergreening strategy is part of that, also the corporate licensing and the enterprise data centre. All of that is certainly within the next two years.

Mr. MacDonald: Okay. Thank you. The fiscal plan provides full-time equivalent employment for each ministry. Service Alberta is listed on page 85 as losing 410 positions in 2010-11.

Mrs. Klimchuk: That's correct.

Mr. MacDonald: In an article in the *Calgary Herald* earlier this month the author or the writer or the reporter noted that for Service Alberta this means a 23 per cent reduction in staff and that the Service Alberta minister said that

many of her department's cuts are as a result of the province's improved co-ordination of its computer systems and plans to outsource IT support. She's not yet certain how many layoffs will be required in her department versus positions lost through attrition.

We see in supplementary estimates that there's a reallocation there, and it's mentioned also in this document. In the Treasury Board estimates there's a \$30 million allocation for – I forget what exactly the word is; it's not employee layoffs – resettlement or . . .

Mrs. Klimchuk: Separation payments.

Mr. MacDonald: Separation payments. Exactly. I appreciate that.

Now, obviously, your department is going to be influenced by these separation payments. Given the age of the civil service and the fact that I believe 40 per cent of our civil service is over the age of 50 – I'm not sure about that, but there's a significant number – is it necessary to lay anyone off, or is there going to be a period of natural retirements in the department where you wouldn't have to

force someone to leave his or her job? I could be wrong on that 40 per cent, but there's a significant number. I apologize. I don't have it, but it's in the PAO and the Treasury Board, in that annual report.

Mrs. Klimchuk: Well, in general, I can't comment across government, all departments, but I know that all departments have had – you know, the numbers are there about the age of the bureaucracy and all of those kinds of things. So definitely in Service Alberta, as all departments, you have your young, medium, and older employees, and that's just the way it is. The process that we're undertaking with this workforce adjustment, part of it is transforming the way that we do business. There's no question. The majority of these are being adjusted through attrition and vacancies, as I said earlier, but some staff will be laid off, as I stated in my introductory comments.

The irony is that when you do things with respect to technology and empower and create and become more efficient – you know, there was an article in the paper the other day about a corporation having to downsize and do that. So part of it is to make sure that whatever we do, it continues to support the work we do in Service Alberta and that Albertans get the support they need as well.

Mr. MacDonald: Okay. If I can look in the Treasury Board annual report and get a breakdown of the different ages of the civil service – what percentage is under 30, what percentage is under 40, what percentage is under 50, what percentage is under 60 – of your current 1,800 employees in the 2009-10 budget do you have any idea how many are over 50 or have put in enough service where they could be contemplating retirement and avoid any layoffs?

Mrs. Klimchuk: We're probably close to around 300 to 325 individuals just like that.

Mr. MacDonald: That could possibly want to retire?

Mrs. Klimchuk: Yeah.

Mr. MacDonald: Okay. That's interesting, and I would encourage you to have a good look at those numbers. [interjection] Oh, I'm well over 50.

Now, all of the 410 positions that you mentioned: are they in the IT support field? I don't think so. Are they?

Mrs. Klimchuk: No. They're all over the department. They're not just all in IT. Some are, but some are in other areas of Service Alberta as well.

Mr. MacDonald: Okay. If these staffing reductions occur, is the number reflected in the reduced estimate for technology operations and infrastructure in the budget?

Mrs. Klimchuk: Say that again. Sorry.

Mr. MacDonald: If we're going to have significant savings from the staffing reductions that may occur, are those savings reflected in the reduced estimate for technological operations and infrastructure?

Mrs. Klimchuk: Yeah, most definitely. Sorry. I didn't get it the first time. Yes, most definitely.

Mr. MacDonald: Okay. Now, again I'm going on memory, and it's – you get to be my age, Mr. Griffiths, it gets really bad. But I'm confident in putting the question this way. The IBM IT contract with the entire government is well in excess of \$100 million

annually. What, first off, percentage of that budget that is administered by Service Alberta is that IBM IT contract?

Mrs. Klimchuk: Well, I don't have the numbers right in front of me, but the good news is that IBM is just one of our partners. We have many partners doing work in Service Alberta. That's what's been really important to me, to have more people at the table doing the work and then having excellent RFPs. But, I mean, I could probably get that information to you.

Mr. MacDonald: I would really appreciate that. I hope you're not just going to lay off your own employees and contract more and more of this work out to contractors.

Mrs. Klimchuk: Right.

Mr. MacDonald: Those IT contracts are growing larger and larger. You can see that clearly in Public Accounts annually. My next question would be: have you considered doing a value-for-money audit on any of these IT contracts?

Mrs. Klimchuk: Well, in anything we do, value for money or value proposition is really important. Part of some of the things we're doing because of the cross-ministry initiatives that we're doing, whether it's the IMAGIS system, where everyone is electronic payment, those kinds of things, part of it is that when you roll it out, eventually you want to see that this was the right thing to do. I believe that, especially in this area of the IT, sometimes it appears that, you know, there could be situations where you want to make sure it's worth while, and sometimes if you need to reimprove and reinvent, that's what you need to do. That's the thing about Service Alberta because of the work we do and, as well, because there are all sorts of people that want us to do more and: here's the latest thing that's happening. That's the other part of it, too, that we have to be on our toes to be ready for the challenges of technology and make sure that we stay up with technology and not fall behind. That's especially in the area of security, as well.

Mr. MacDonald: Okay. Now, given that you're contemplating laying off potentially up to 410 individuals or giving them early retirement, in this budget year how many consultants are you planning on employing in your department?

Mrs. Klimchuk: Well, I know that's a question on the Order Paper. That was a question that's been directed to Service Alberta, and that information we are preparing. I don't have that.

Mr. MacDonald: Okay. So you can't tell us this evening what the budget is, the ballpark figure for the consultants. You're going to make me look in the public accounts, A to Z.

Mrs. Klimchuk: No. I think part of the thing is that the goal is to have that number go down, if I could be so bold.

Mr. MacDonald: Yeah. I would certainly support you on that initiative because it doesn't take long. You've just got to go through the blue book. There are consultants, a hundred grand here, 240 grand here, and another 80 grand here. It really adds up.

Mrs. Klimchuk: Well, the other part, too, a related thing, is that that's why the cross-ministry collaborative approach is so important, when you're getting someone looking at all 23 departments, not just two, and making sure that we are all on the same page. That's

something that I support you on. You know, that suggestion is what it's about.

7:20

Mr. MacDonald: Okay. Now, I can only assume that there was a business case made for outsourcing the government's IT support functions. Is the minister prepared to make the business case publicly available to this committee and through the Legislature to the taxpayers?

Mrs. Klimchuk: With respect to outsourcing?

Mr. MacDonald: The business case or the model as to why we're going in that direction.

Mrs. Klimchuk: Well, you know, the whole conversation around the concept of outsourcing is something, when I look at the IT and the procurement policy, that is certainly part of that policy, and to have that conversation is really important, whoever you outsource to. That's something that is certainly in, you know, when we do look at a contract or when we do ask for a service to be provided.

Mr. MacDonald: Okay. I was just going to look something up here. Will the department begin the tendering process for selecting outside IT support providers? That's all tendered, right? That's on your website, that I have such difficulty navigating?

Mrs. Klimchuk: Really?

Mr. MacDonald: Yes.

Mrs. Klimchuk: Oh, okay.

All of this is certainly reflected, you know, in the budget reduction that Service Alberta has faced. With respect to your comments about navigating we have the procurement on Service Alberta's website, and it's called APC. With respect to tenders and all of those that are put on there, it's very open and transparent, and that's why those are on there.

Mr. MacDonald: Okay. You are working on the recommendations from the Auditor General's report? You have accepted them all in principle? Am I correct to assume that they will be works-in-progress this budget year?

Mrs. Klimchuk: Uh-huh. We have accepted all of them, you know, with respect to the IT applications, working with other ministries with their systems, with respect to disaster recovery as well. We did accept all of the Auditor General's recommendations. Ironically, when I first became minister, the department had already begun some excellent work in this area. The Auditor General has been, in terms of a partner for us, making sure that things are brought forward and that we keep on the right path. So, yeah, we did accept his recommendations wholeheartedly.

Mr. MacDonald: Okay. I'm just assuming that in budget element 2.1.1, land titles, where there is a \$2.4 million reduction from the 2009-10 forecast – I don't know what it indicates in the annual report, but the Auditor, I believe, is auditing the function around land titles. I can only assume from this budget reduction that that audit is very favourable to your department whenever you can confidently reduce the budget in that way.

Mrs. Klimchuk: Yeah. Part of that land titles, too, is that if you

look at that number, that's as much – don't forget we're a year back – about the real estate slowing down and not as many transactions.

Mr. MacDonald: Okay.

Mrs. Klimchuk: That's where that number is coming from.

Mr. MacDonald: It has nothing to do with the \$2.8 million unexpended amount you had from last year.

Mrs. Klimchuk: No.

Mr. MacDonald: No. Does that amount allow for the purchase or the maintenance of the computer systems at land titles? Is that in this \$12.4 million estimate? It wouldn't be, would it?

Mrs. Klimchuk: It would be in the technology operations and infrastructure line. That's where it would be.

Mr. MacDonald: Okay. Thank you for that.

Now, the business plan comparison: 2009-10 versus 2010-11. A comparison between Service Alberta's business plan for 2009 through 2012 and 2010 through 2013 reveals that a number of performance measurements have been dropped. I know we've had difficulty. I would say that the departments of Energy and Service Alberta both had sort of embarrassing performance measures, one around royalty collection and the other around access to the Utilities Consumer Advocate and the whole issue of natural gas pricing and billing and electricity pricing and billing.

The performance measurements that have been dropped include satisfaction with the quality of service with the ministry, satisfaction with land titles registry, satisfaction with access to government of Alberta services and information, satisfaction with timeliness of government of Alberta services and information, satisfaction with quality of service from Ministry Contact Centre, satisfaction with quality of tipsheet information, number of organizations using SuperNet for video conferencing, number of adoptions by ministries of IT service bundles from Service Alberta, percentage of FOIP requests handled by government bodies within 60 days or less, and percentage of FOIP requests handled without complaint to a commissioner.

The ministry seems to have replaced some of the most separate satisfaction measurements with a single index that includes courtesy, knowledge, effort, wait time, and ease of access. This registry index can be found on page 235 of the business plan, and the consumer index is on page 236. There seems to me to be a great deal of discrepancy in the performance measurements used in last year's business plan compared to this year's business plan. Why has Service Alberta overhauled its set of performance measurements?

Mrs. Klimchuk: Well, I guess that the performance measures that we have – I'm going to use the example of the call centre. Typically when you do surveys and you want to know how people feel about things and if they're happy or sad or indifferent, it's a cost to do those surveys. One of the innovative things that we're doing now is with respect to the call centres. When individuals call the call centre, after they get the information they need, we've got something in place where we measure their state of happiness or unhappiness right away. That's been really important. That's been a cost savings of approximately \$10,000.

Part of, you know, the strategy is that when you want to survey people and find out how happy they are, I think a better measure is the volume and the number of calls that we're getting that are increasing. I think that's a more accurate measure.

We have adjusted some of those areas, especially with the surveying right away, when they're at the call centre, versus later. In the area of more efficient services, we know that, for example, with the SuperNet and all of those kinds of things and people using the voice over protocol, the VOIP, we want to make sure that, you know, Albertans get what they need to get. That's another very important area.

I guess that as time goes on, the measurements change and evolve. This is an example of where they have evolved. But, again, I'm going to go back to saying that when someone accesses government for information and we can track it sooner than later, it's better because they're going to tell us right off the get-go if they're upset or if they're pleased with us, and that's really important.

Again, the amount of calls that are coming: even with our technological world that we live in, it really is satisfying to me the number of people that will still phone our contact centre and talk to someone. That's really important to me, the voice at the end of the phone. That's what we need to hear. Whether you're a senior, whether you're my age, or whether you're younger, you need to be able to know you can talk to someone. In Service Alberta we continue to carry that on, as well as going on the website and looking for the information yourself.

7:30

Mr. MacDonald: Okay. I appreciate that. Certainly seniors, I think, phone not only your department but – I'm going to say it's in your department – the Utilities Consumer Advocate complaining about their electricity bills. Have complaints or complaints regarding utility costs increased or decreased?

Mrs. Klimchuk: With respect to the Utilities Consumer Advocate I believe that those calls have increased. I know they have increased. People are asking harder questions. Rather than just getting something in the mail, they're going: oh, I don't like this. Whether they talk to their son or their daughter or they call us – that's really important to me that they call us. The Utilities Consumer Advocate in that area, now that we have an advocate in place, that was appointed last summer – and in fact there has been an increase in that budget for the Utilities Consumer Advocate because we know that from the outward facing point of view we need to work hard on that. We need to make sure that Albertans know when they call us about issues with respect to utilities that it is a very complex area.

Mr. MacDonald: Thank you.

Now, there are two ways for a consumer to contact your office regarding utility costs, online or by telephone. Do you have any idea, of the telephone calls that your office would receive, how many of them are from seniors? Seniors seem very interested. I can really appreciate it, and I would like to thank you for indicating that you will continue with the phone service.

Mrs. Klimchuk: Yeah. Thank you. It's a very touchy question. When people call us for help, we don't ask how old they are because they might get really mad at us, not to say that you can't tell by their voice or anything. I don't know. We don't track those phone calls by age. I know that with respect to utility bills there are people of all ages calling.

I was one of the people that helped set up the Alberta seniors' information line in the '90s. That's what I did between having my kids. Back then it was so critical to have a voice on the end of the phone. That's why I will continue to have voices on the phone for people to talk to. That's really important to me.

Mr. MacDonald: Yes. When the seniors phone our constituency office, they identify themselves quite readily and their problem and the fact that their pension income is really being stretched by these high utility costs. They're very, very frustrated.

Mrs. Klimchuk: Okay. I mean, that's something that I'd be just prepared to look into. I mean, I'd be happy to see if we can get something for you.

Mr. MacDonald: All I would like to urge you, if you don't mind, is to please continue the service, and if seniors want to phone and get advice or lodge a complaint, they're not going to get voice mail or an automated voice service. They appreciate that.

Mrs. Klimchuk: And I appreciate that comment because it is so important in the world that we live in, where you phone and you press one and you press five and you press six and you might get to talk to someone. That's something where government providing the right services to Albertans is very important, especially for seniors and especially a lot of seniors that are on their own now who may not have family. There are a lot of seniors out there, and I know that they're in my constituency as well. I know that when someone calls my office at the Legislature, we have something called a telephone action request. We track all of that information so that we make sure it gets to the right person, it gets to the advocate or that kind of thing. We're very front line with respect to when people call the Leg. office, as well.

Mr. MacDonald: Okay. I would like to get back to the performance measurements, but I have some questions – and I think we're going to run out of time – that I certainly want to get on the record now. On page 340 of the government estimates you note where there's an \$8.2 million amount. I'm assuming that's for the Utilities Consumer Advocate, and that's collected through the electricity and the natural gas.

Mrs. Klimchuk: That's the Balancing Pool. That's correct.

Mr. MacDonald: The Balancing Pool. What is the split on that collection now from natural gas consumers and electricity consumers? Is it 80-20?

Mrs. Klimchuk: It's still 80-20, 80 from the electricity Balancing Pool and 20 from natural gas.

Mr. MacDonald: Will that change any time?

Mrs. Klimchuk: No.

Mr. MacDonald: If it were to be changed, it would be done through a ministerial order, correct?

Mrs. Klimchuk: Most definitely, yeah. That's not changing.

Mr. MacDonald: There will be no changes to this amount when we go to sort of a full market price for electricity where the regulated rate option will be eliminated, the last 20 per cent of it, this July? There will be no changes to this?

Mrs. Klimchuk: Well, that's something the Utilities Consumer Advocate right now is looking at with AUC, the Alberta Utilities Commission, so I'm not prepared to say that. I think what's really important is that we know that date is coming in July, and we are

looking at that whole area. The Balancing Pool is administered by the Alberta Utilities Commission, so I can't speak on behalf of them. That would be the Minister of Energy. But I know with respect to the UCA and the work we do with encouraging people to make the right decisions and with the directed – what's it called? I can't remember the exact name. But with that coming – you know what I'm talking about – in July, that is an issue that we're looking at very closely, for sure.

Mr. MacDonald: Okay. Are they indicating to you that this July this \$8.2 million may not be enough because of the consumer concern when they realize they are on a monthly flow-through price for electricity, and they may not want to fall into the arms or the hands of a direct marketer for energy, whether it be natural gas or electricity?

Mrs. Klimchuk: Well, that's something that I said that we're still looking at, but the current mix with respect to the Balancing Pool as it funds the UCA will stay the same. But that rate was set five years ago, so things have changed so much – I believe it was set five years ago.

Mr. MacDonald: I think so, yeah.

Mrs. Klimchuk: Yeah, five years ago. At this point in time we are looking at that very carefully from the consumer point of view. That's why the role the Utilities Consumer Advocate plays is so important for consumers.

Mr. MacDonald: Yes, I would agree with you. Some of the information that's provided on that website is very useful, particularly if people want to make an informed decision whether they should go to the casino or gamble on a utility bill, whether it will go up or down.

Now, getting back to the performance measures. When we return to the older measurements, we see that – and this is getting back to some of the ones that have been eliminated – some of the 2007-08 actuals were very different. They were far off the 2009-10 targets. Is Service Alberta altering its performance measurements to avoid reporting that it did not meet its targets?

Mrs. Klimchuk: No, absolutely not.

Mr. MacDonald: Absolutely not.

Mrs. Klimchuk: No.

Mr. MacDonald: Okay. Because I can't recall such a significant change in any department in performance measurements.

Now, the new indexes that we talked about are used to measure satisfaction with registry and consumer call services. It will be interesting in July through September, whenever people figure out the regulated rate option is gone, what they are going to have to say about this. But these indexes combine elements such as the effort, the wait time, the ease of access. Why was this composite measure adopted over the previous set of separate measurements?

Mrs. Klimchuk: I guess when we do things in government or in our lives, we all want to do things that are measurable. How to measure them properly? I think that some of the changes that have been made are making sure the measurements are real so that we know if we are doing a good enough job. Some of the measurements may have been not as effective. I believe that those things you talk about

– courteousness, knowledge, effort, wait time, and ease of access – I have to say, with the call centre, with the Utilities Consumer Advocate, many of the people that are there doing their job, the reports I get are that, you know, the last actual was 97 per cent.

We know that moving forward, we've got to make sure that Albertans are happy, and typically Albertans will let us know pretty soon. They let us know on a fairly regular basis by if the calls spike or if there is something going on that we need to monitor. That's why the people that are doing those jobs are so important, because of the breadth of knowledge that they have and how they respond to Albertans.

7:40

Mr. MacDonald: Okay. Thank you. How does this new index allow an interested citizen to understand a service? Am I correct in assuming that all these new indexes have been vetted through a focus group or target audience?

Mrs. Klimchuk: Well, these consumer call centres have been around for a long time. You know, we started back in '92 with the seniors' information line, and then it kind of moved out to all the different call centres that are around. Based on the calls that we get, on what they're calling about, how quickly we can get back to them, those kinds of measures, on a year-to-year basis we can certainly see the trends of issues. Again, I'll go back to the consumer call centre, the technology that we have where you can quickly give your point of view with respect to how you felt your call was dealt with and if you would, you know, recommend that service to a friend or family member.

Mr. MacDonald: Okay. Now, in the business plan for 2010-11 on page 233 you discuss a new registry delivery model, and it is noted that the number of registry agents has not kept pace with the population. There's an indication that you want to see registry services increasingly available on the Internet. Does the department intend to use online delivery to further reduce the number of registry agents available to Albertans, whether it's on Main Street or Elm Street?

Mrs. Klimchuk: No. That goes back to the work that registry agents do across Alberta, the good work, the face-to-face work. There are many people that want face to face. There are people that want online services as well. Part of looking at that model is looking at what registry agents are providing right now and then moving into more efficient means, online services. But that does not mean, you know, less registry offices. In essence, it means better service to Albertans, which would mean expansion. That's a conversation that we've had with the Association of Alberta Registry Agents, about expansion and where it's needed with our population growth. It's a huge issue.

The online is not meant to say that we're going to have less registry agents. The online is just bringing it up to snuff. All the things that we do in our lives, whether it's BizPaL – BizPaL is a perfect example. You can go online at 2 in the morning and start your business, right? There are a lot of people that like that. But then there are a lot of people that still want to come to your registry office, have a chat, do their thing, and then move on. It's the balance of people's expectation, and that's what we're trying to get at there.

Mr. MacDonald: Okay. The Auditor General flagged quite correctly some of the security issues around the entire government's IT. Now, who is paying for identity protection through the registry

system? Is it your department, is it pooled with the entire government, or is it a combination of everything, including the registry agents?

Mrs. Klimchuk: Service Alberta leads it. Service Alberta is the one that tracks all that information and the security through what's called the CARS system. That's how we track, you know, and work with the registry offices across Alberta.

Mr. MacDonald: Okay. Is the CARS system contracted out to an outside contractor, or is it done internally by your staff?

Mrs. Klimchuk: The systems are on the outside, but the work is on the inside, if that makes any sense.

Mr. MacDonald: No, that doesn't make any sense to me. I'm sorry.

Mrs. Klimchuk: The individual set-up of the system was done by private contractors, then working in there so it's standard across all the registry offices in Alberta.

Mr. MacDonald: Okay. And the bill is paid for by Service Alberta.

Mrs. Klimchuk: Service Alberta.

The Chair: Three seconds.

Mr. MacDonald: Thank you very much.

Mrs. Klimchuk: Oh, three seconds. Thank you.

The Chair: Thank you very much.

Just for the record I would like to note that Mr. Sandhu and Mr. Cao have joined us; Mr. Boutilier did briefly and left again.

I would also like to let the minister know that a written response by the office of the minister to questions deferred during the course of this meeting can be tabled in the Assembly by the minister or through the clerk for benefit to all MLAs. A copy to the committee clerk would also be appreciated.

With that, I think we'll take our five-minute break. We'll be back here at about 7:51 p.m.

[The committee adjourned from 7:46 p.m. to 7:52 p.m.]

The Chair: We'll call the meeting back to order, please. There are no members present from the third party, the Wildrose Alliance, so we'll move on. As well, there are no members here from the fourth party, the NDP.

So we'll move on to members from the government. Our first question is from Dr. Brown.

Dr. Brown: Well, thank you, Mr. Chairman. I do appreciate the opportunity to ask a few questions of the minister. Minister, you spoke about efficient and effective service in your opening remarks and how you're striving towards that goal. I noticed in your budget, on page 340, that the allocation to the land titles registries has dropped by just over 16 per cent, if my calculations are correct, which is quite a large, significant drop. I wonder if you could elaborate a little bit on what the nature of those cuts is anticipated to be and how cuts of that significant nature might affect the service delivery to Albertans who rely upon the land titles registry in order to do commercial business and to transfer titles and so on?

Mrs. Klimchuk: Thank you, hon. member. I know that you and I have had great discussions about land titles and the queuing process and making sure that Albertans get what they need. It's such an important part of Alberta's economy.

The decrease that you're seeing there is a reflection of the slowdown of the real estate market. That's no question because, of course, that's last year. The turnaround time: we're still at about a three-day turnaround time with respect to doing that, so the service is still in good shape that way. But those numbers, I mean, are the estimates. We know that within Alberta things are improving. The economy is coming back, so I anticipate that those numbers at the end of the year might be something different in terms of what's allotted there. You know, there might be more Albertans getting into the real estate market. So that's what that reflects.

Dr. Brown: So you're saying that you've reduced the personnel somewhat commensurate with the decline in activity in land titles office, then?

Mrs. Klimchuk: Any time there's a reduction, you know, if there's not as much work for people to do, then we've got to make sure those employees have work to do or they're deployed elsewhere. Most definitely.

Dr. Brown: Ancillary to my last question I think it was last year that certain amendments were made to the Land Titles Act regarding the pending registration queue. I know that that was implemented with a view to alleviating some of the technical problems that surrounded the very, very long duration of the waiting times and, in particular, the legal implications of registering encumbrances, mortgages, builders' liens, and all sorts of documents. I wondered whether or not there would be any implications for the application of that pending registration queue in view of the fact that you have realized a much accelerated registration process now.

Would there be any opportunities, for example, to look again at the legislation with a view to getting some more efficiency in there such that you could implement the pending registration queue when it is required, when business got to such a point that you didn't have a three-day turnaround anymore, you could implement that? I'm sure that there must have been some additional personnel time required in order to implement the pending registration queue to begin with.

Mrs. Klimchuk: Yeah. I think anything we can do in that area. We talk about improving efficiencies – and it was an issue, you know, two years ago with respect to people waiting – and trying to improve that. I mean, how times have changed. There's no question. Anything that we can do to make improvements. As well, if there are rules or regulations that are going to get in the way, that are impeding Albertans, we need to look at that, and we need to fix that as part of being competitive.

Dr. Brown: Well, I guess what I'm suggesting: is there any way that we could eliminate the pending registration queue now? I mean, perhaps have it in the legislation but have it available as an option to be implemented, maybe, on ministerial direction when things get tight again, when there's another land rush in Alberta sometime in the future.

Mrs. Klimchuk: Well, that's something we could most definitely look at. I have to say that, you know, when I sign my letters as minister, I haven't had a letter on land titles. I've had lots of letters on other stuff, whether it's utility bills or those kinds of things.

Dr. Brown: I understand that, but nobody is likely to complain if they're getting great service from the land registry.

What I'm interested in is, in view of the fact that you are making some real considerable cuts there, whether or not there are some institutional changes that might be made in order to, you know, just make the department a little bit more efficient.

Mrs. Klimchuk: Yeah. I would be happy to look into that further. I think that when you look at future cost savings and future efficiencies, most definitely.

Dr. Brown: The second area that I would like to ask you a brief question on has to do with the motor vehicles registry. Here again you have projected a 9.9 per cent drop in your budgeting for the coming year, which, again, is quite impressive. Congratulations if you can do that and make the department more efficient. I wondered if you'd care to comment on what areas of operations would be affected from a public service standpoint. Can people expect to have longer waiting times? Exactly how is that going to be reflected in terms of operational service to the public of Alberta when they go to register their motor vehicles?

Mrs. Klimchuk: Well, I have to say that, certainly, when you look at that estimate, the service that Albertans receive will not be affected. That figure, too, relates to not as many people buying vehicles, trucks. It also increases some of the trucking issues across Alberta. That's where that number has gone down because of that. You know, the commercial vehicle registration, that whole area, we have seen a decrease over the last budget year. As well, with the licence plate initiative not going ahead, we are now going to begin to see a fourth digit on the licence plate. Then, of course, part of it is that future savings, when you look at going ahead, can be through business via the Internet, online services. In terms of what is being provided in Alberta, we are certainly not on the leading edge of providing some of those online services.

8:00

Dr. Brown: Well, given your 9.9 per cent cut, though, and the delivery of those services being through the registry agents for the most part, as I understand it – are the commercial truckers not registered through those agencies as well?

Mrs. Klimchuk: Yes, they are.

Dr. Brown: Well, then, how are you economizing? I mean, you do have to pay a fixed fee to the registry agents, I presume – or they pay you, I should say, a fixed fee for every transaction.

Mrs. Klimchuk: The \$9, yeah.

Dr. Brown: So how is that cutting your expense? I don't get it.

Mrs. Klimchuk: Well, if there is less truck traffic or less people purchasing licences, it's less cost. I mean, when you go to the registry agents, even a year and a half ago or two years ago it was very busy. I know the registry agents across Alberta have certainly seen a decrease in some areas, no question. The other side, too, is that if we're going to provide good service to Albertans, there are the options and the opportunity to look at things differently. I foresee that as we move out of this, as Alberta leads the way, we're going to probably see again those numbers going up and then registry agents across Alberta becoming very busy.

Dr. Brown: Okay. Well, I'll leave that alone.

The third area of endeavour that I'd like to touch upon would be the issue of the syndicated mortgages, and I know you were familiar with that last year, where the regulatory regime was formerly under your department. It was transferred from the auspices of RECA, which is under your Department of Service Alberta, to the Securities Commission, which is under the department of finance.

Mrs. Klimchuk: That's correct.

Dr. Brown: The result of moving those syndicated mortgages to the department of finance and the Securities Commission has been, according to my sources in the Alberta Mortgage Brokers Association, a great increase in the red tape and the bureaucracy. In fact, it has put somewhat of a damper on the small syndicated mortgages business. That would be, for instance, where two or three people wanted to go together and finance the building of a duplex or a fourplex, a small apartment building or a gas station or a rural motel or something of that nature, and they would take back security in the form of a mortgage on the real property. For those things right now, according to the individuals that I've spoken to in the Alberta Mortgage Brokers Association, it's done quite considerable harm to their financing for those very small projects, which, after all, we are a government that wants to become more efficient and less red tape and less regulation.

I wondered whether you'd care to comment on that, and I understand if you don't because it's not in your department now. But is there anything that might be done in order to alleviate that regulatory burden that's been put on those people that want to put some financing into a small construction project and just simply take back security on the real property by way of a mortgage? I mean, it seems to me that those are not the types of things where people are, you know, lacking sophistication, where they need a prospectus or anything like that. It really seems to me that we've jumped into an area there which really didn't need to be fixed. I don't think there was a problem that needed fixing. According to the Mortgage Brokers Association it's something that's caused them quite considerable distress.

Mrs. Klimchuk: Well, with respect to the syndicated mortgage area being moved over to Finance and Enterprise, Securities Commission, those comments could be, you know, better addressed to that minister. But I will address the issue of red tape. It's ironic because when you do something in government, you want to make it less red tape. I agree with you on that. I do have regular meetings with RECA, the Real Estate Council of Alberta, and I know that at the time it was quite a contentious issue. But with you just raising the fact, obviously there are some red flags that need to be addressed, and I think that the Minister of Finance and Enterprise would certainly be better to address that, for sure.

Dr. Brown: Thank you.

Those are my questions, Mr. Chairman.

The Chair: Thank you, Dr. Brown.

Next is Mr. MacDonald, followed by Mr. Griffiths.

Mr. MacDonald: Thank you very much, Mr. Chairman. My first question would be from page 346 in the government estimates. In the statement of operations there is a line indicating \$48.5 million in other miscellaneous revenue. Could you give us, please, examples of what would be considered in this line item, miscellaneous revenue?

Mrs. Klimchuk: That would be on page 346?

Mr. MacDonald: Page 346. Yes.

Mrs. Klimchuk: Okay. The miscellaneous revenue, now that I've got it here, goes back to what we talked about previously, the concept of shared services. That includes the areas of procurement and administration services, technology operations and infrastructure, vehicle amortization, and financial and employee services. It's those inside, between-government-department services that Service Alberta provides. That's what that miscellaneous revenue relates to.

Mr. MacDonald: Okay. Now, on page 12 of your annual report you note that last year vehicle management had initiated the arrival of a total of 92 hybrids with seven additional vehicles on order, including five to the executive fleet. Many people would be surprised – I was surprised – to see where last year Service Alberta had purchased I believe it was \$3 million worth of vehicles from Londonderry Chrysler, and there are other automobile dealerships that are used to purchase vehicles. How many automobiles, trucks and cars – because I'm sure SRD uses trucks more than cars, and other departments may use delivery vans – is Service Alberta planning on purchasing this year?

Mrs. Klimchuk: Well, a couple of things just to open up. When we work with all of the different dealerships that are across Alberta, it's an open and competitive process, so depending on who has the best deal at the time on what we're looking for, that's who we deal with, just to make that very clear.

With respect to the vehicles right now there are about 3,400 vehicles in government. Part of it is that we have a five-year initiative, that we're in the midst of, to retire all the leases and to just purchase all the vehicles. So that's what you're seeing. This year we'll be purchasing about 620 vehicles.

Mr. MacDonald: Six hundred and twenty vehicles.

Mrs. Klimchuk: Right. That's, you know, once we get out of the leases. That's something that was started in 2007-08. That's when that initiative began.

Mr. MacDonald: Okay. I appreciate that. I must say that the year before or whenever I checked it out, Londonderry Chrysler was not a dealer of interest to the government, but there was a significant increase not only in the volume of cars purchased but the dollar figure from one fiscal year to the next.

So the lease arrangement that the government had with I think it was the Jim Pattison Group is going to be eventually retired, and you're going to go back from leasing vehicles to purchasing them outright.

Mrs. Klimchuk: That's correct.

Mr. MacDonald: Okay. That's interesting to know. Now, is this a cost-saving measure, and if it is, how much money are you going to save from purchase rather than lease?

8:10

Mrs. Klimchuk: Most certainly, it's a cost-saving measure. There's no question.

You commented about the hybrid vehicles. Currently we have 97 hybrid vehicles in the fleet. We have a large number of fuel-efficient vehicles as well. The hybrid vehicles are ones, as you

know, that we want to make sure we can use where they're useful, in the city versus rural areas.

The original business plan for this was that this would be about a \$20 million savings over five years.

Mr. MacDonald: Twenty million dollars in savings to eliminate . . .

Mrs. Klimchuk: To eliminate the leases.

Mr. MacDonald: I'm not just picking on Jim Pattison, but that was the largest amount in public accounts. It was over \$20 million a year if I'm remembering correctly. It was a significant amount of money.

Mrs. Klimchuk: That's right.

Mr. MacDonald: So that's going to be completely finished, and when we decide that we need, say, a hundred units or a hundred vehicles, there will be an RFP put out, and one dealer can bid against the other for the price.

Mrs. Klimchuk: Yes. Most definitely.

Mr. MacDonald: Excellent. Okay. I certainly appreciate the fact that you are now starting to purchase hybrid vehicles.

Now, the UCA. I had a chance to check into this, and they handled 39,000 calls last year, and that was an increase of 15 per cent from the previous year. Again, do you have any idea what the increase will be to the UCA this year from consumers regarding their utility costs?

Mrs. Klimchuk: Well, as I said previously about the Utilities Consumer Advocate, we do have an advocate in place now, someone who has been appointed and not a deputy or an ADM within the department. That's really critical. As well, we're going to be having an office in Calgary because that's where most of the regulatory hearings take place.

The role of the consumer, when they need to call us, I can't predict, but I suspect that more people are going to be asking harder questions with respect to the rate, especially with what you mentioned previously, going into July. With the new advocate, in terms of what she has brought to the table and the staff she's got there taking the calls, I don't know how many more people will call. I hope more people call, if I can say it that way. I anticipate it to be a very, very busy area, especially as it is the intervenor. It can intervene on behalf of many individuals.

Mr. MacDonald: Now, with the Utilities Consumer Advocate, it was indicated last year that there were court cases before the Alberta Court of Appeal and the Supreme Court of Canada. Does the Utilities Consumer Advocate in their budget have a legal allocation, or are they allowed to use Alberta Justice for their legal help?

Mrs. Klimchuk: We use primarily Alberta Justice lawyers. One thing that I've asked is that at the times when, you know, you do those interventions and you need lawyers with particular skill, particular information, we use the Justice lawyers. There are also many times when you're doing work that's pretty basic work. We want to make sure that for the legal work that's being provided, we're not paying deluxe for a particular lawyer. We do most usually use the Department of Justice lawyers.

Mr. MacDonald: Is that for matters before the courts or matters before the Utilities Commission?

Mrs. Klimchuk: It would be at any time during the process when legal expertise is required.

Mr. MacDonald: Okay.

Thank you, Mr. Chairman. There's a list developing here, so I'm going to wait if you don't mind, please.

The Chair: Okay.

Next is Mr. Griffiths, followed by Mr. MacDonald.

Mr. Griffiths: Thank you. Minister, first, I'm going to apologize. If I ask a question that you've already answered, just tell me, and I'll go back and look in *Hansard*. It's been a long night. You're doing very well, and I apologize if I repeat a question.

Mrs. Klimchuk: Thank you. Don't worry.

Mr. Griffiths: I believe Mr. MacDonald asked already why it is that the UCA's budget went up while the consumer awareness budget went down and how those two jibe. So you answered that? I thought you had. Did Mr. MacDonald ask you what the UCA is supposed to do with their budget increase, why they got it and what they're supposed to do with it?

Mrs. Klimchuk: I can address that. Your comment about the UCA budget and the work about the consumer advocacy area. Part of the increase in the UCA budget is with respect to the interventions that take place, and part of that is an awareness communication campaign that we're going to be rolling out to inform consumers about the Utilities Consumer Advocate: what they're about, whom to call, and what they can do for you. Certainly, that's within that budget.

The other part, if you look at the UCA, is having access to the consumer area within Service Alberta for expertise, you know, for whatever is needed. That's a really useful collaboration. That's where I look at the increase in the UCA in conjunction with working with Service Alberta. It's a win-win for consumers. There's no question.

Mr. Griffiths: Yeah. I agree with that.

Okay. The reductions in the budget for Service Alberta for the services that are provided to Albertans: what specifically is going to be affected with those reductions?

Mrs. Klimchuk: Are you on a particular page, hon. member?

Mr. Griffiths: Yeah. Services to Albertans on page 339, line 2, a reduction over last year's budget. What services are actually going to be reduced? What's going to be impacted?

Mrs. Klimchuk: Well, you look at some of those areas, like motor vehicles, land titles, and vital stats, that we spoke about previously, that were referred to by the other member. The other area is including, when we look at the call centres and the Utilities Consumer Advocate, just kind of making sure that we have individuals within the UCA on the phones as well as the call centres on the phone. It's about putting people where they need to be and maximizing the knowledge they have and making it more efficient. That's what that is.

From the point of view of, you know, services to Albertans, I'm confident that Albertans will be able to get the answers they need, you know, because when you partner it with the web and the technology as well as the voices on the phone, there's lots of opportunity for people to get their questions answered.

Mr. Griffiths: I believe that, but I was wondering if you knew exactly what sort of specific services would be reduced in land titles or vehicle registrations with the reduction in the budget. I was also going to ask about the reduction to services provided to government. The reason, Minister, why I'm asking this is because, I mean, when you look at the consolidated financial statements, you provide services to Albertans and to the government.

Mrs. Klimchuk: Yes.

Mr. Griffiths: It generates revenue. It seems counterbusiness or counterproductive for the government to reduce spending money in a department that generates more revenue than it costs. What I'm going to get around to, once you tell me exactly what services to Albertans would be cut, is: will that affect the revenue in the long term as well?

Mrs. Klimchuk: Right. Again, as I said before, part of this is the decrease in the land titles and the commercial vehicle activities with respect to motor vehicles, a decrease in people coming and getting those licences. The other part is, you know, we know Albertans with the types of business that we conduct, and then going on the Internet is important as well. But the slow – I just lost track here for a moment.

Mr. Griffiths: So the estimate of \$61 million for services to Albertans, you're saying, is not exactly a reduction to the services provided; it's more an anticipated reduction in demand from Albertans for those services because they'll go online and use it.

Mrs. Klimchuk: That's right. Yeah.

Mr. Griffiths: Okay.

8:20

Mrs. Klimchuk: Part of the challenge, too, you know, is predicting what Albertans will need and what they won't need. I mean, who's to say? A lot of this is based on some of the changes in the economy. I will add, however, that the fees that Albertans pay when they go to register their car or register their licence have not increased. We are not taking in any revenue based on fee increases, which is really important. So you're right. If the fees go down, it's more a reflection of what's happening around us versus what we can actually control.

Mr. Griffiths: Well, that takes me to my next question, a question on fees. More revenue is generated than is actually expensed in providing those services to Albertans. You have a performance measure on page 235 of the ministry business plan. Now, the performance measure compares Alberta's fees to other jurisdictions. It lists, you know, a range from 27 to 34 per cent below the national average, and the goal is to maintain fees below the national average. Why would that be the goal instead of maintaining fees on a cost-recovery basis or maintaining fees at a national average or 5 per cent below? There's no actual target that says how much below a national average we want to be. So how do you actually measure success? I mean, success could be 5 per cent below the national average or on a cost-recovery basis.

Mrs. Klimchuk: Right. Yeah. I think, too, when you look at, for example, the fee on renewing a Dodge Caravan or something, it's \$70.45. That includes the \$9 that the registry agents charge. That's where that number is. I guess part of it is that from a revenue point

of view all of the revenue, of course, goes into the GRF, as you know, and part of it is that any of the vehicle money will eventually end up in Transportation or end up in all the other departments. Part of it is making sure that some of that money gets back to the roads being built, some of the infrastructure that we need built. There is more money coming in, and that does go back to the government to work in other areas.

Mr. Griffiths: Yeah, I understand that. That's why it's interesting that there's a cut to the department when it's a revenue generator. It seems that more of an investment could increase revenue. Is there any plan from the department to actually specifically target how much below the national average would be an adequate amount? It's staying below a national average, as I said, 27 to 34 per cent. Do you want to stay 5 per cent, or do you want to stay 30 per cent?

Mrs. Klimchuk: Our target is that we don't want to have a fee increase. That was the target for this year, and that's what was really important with respect to, you know, no tax increase, no fee increase. That's why the fees that the registry agents charge across Alberta for their work has not changed either, and that's important. At this point in time we're not looking at any other measures or comparisons; however, we might have to revisit it. I mean, everything is always revisited on a year-to-year basis, to be sure.

Mr. Griffiths: Right. So the target is to stay below. It just happens to be that their fees keep going up; ours don't. So the gap gets larger and larger.

Mrs. Klimchuk: That's correct.

Mr. Griffiths: Well, that's excellent. Thanks. I like to hear that.

Next question. I was wondering if you could update me or explain what the uptake has been by independent service providers of the SuperNet and its capacity. I don't know if you have a percentage of how many ISPs utilize the SuperNet or how many communities. Do you have any update on that?

Mrs. Klimchuk: You have done, you know, the work. You're familiar with this area. The rural connectivity is still not there in terms of connecting all of Alberta. We've got about 220. It's about the role of the ISP provider and the independence and making it viable for them. The other thing that has come to my attention, which I thought was quite fascinating, is that when the SuperNet was first rolled out in 2005, it was offered in the libraries, schools, and all the government areas, and it was offered to the municipal offices. Now, ironically, only about 28 to 30 per cent have actually taken up the SuperNet connection, being that the fibres are in the ground.

When you have stats like that, we know that the uptake is hit and miss. Part of the role is to encourage the ISP providers to go out there and to find the business and, as well, leveraging the SuperNet with all the great things that are changing on a minute-to-minute basis, as you know, whether it's – what's it called? – HSPA.

Just a couple of stats because this is something that we've been tracking. The rural population is about 38 per cent of Alberta's total population. An estimated 66 per cent, or 830 rural Albertans, have access to some level of service, although coverage and adequacy is, you know, different across Alberta. An estimated 34 per cent, or 430,000, have no access to high-speed broadband except via satellite. So the numbers are there. In terms of, you know, the ISPs out there, we have about 80 ISPs that are working in over 260 communities. So we know there's lots of good business out there, lots of individuals doing good work. As they move forward,

hopefully, they can use some of the new technology to leverage the SuperNet. But it is certainly an issue in rural Alberta, for sure.

Mr. Griffiths: Performance measures are always a big issue to me, as Mr. MacDonald will attest to from Public Accounts. I'm curious why there aren't performance measures on SuperNet. Its use seems like something that you could really quantify: how many communities are on it and their access, how much capacity remains, and how much capacity is being used by ISPs. There are a lot of really good, qualitative performance measures that could help track and trace the utilization of SuperNet. I'm wondering why there aren't performance measures on it or if the department is working or considering developing some.

Mrs. Klimchuk: You know, your comments about performance measures – I think the word “better” is a performance indicator because the government does not control all the ISP providers. We supplement and we support. We provide when we can. You look at some of the great projects that are happening, whether it's the iCCAN project, or Volunteer Alberta, advanced education. You go into the schools. You look at Tourism, Parks and Recreation. Now they use the SuperNet in schools to go on a live location to a park, for kids as a teaching tool. That, to me, is an indicator of using the SuperNet. We know it's being maximized in our schools and in the other public places, but the next level, some of those projects that are out there and some of the good work that the ISP folks are doing, we know the valid measurement.

I guess part of it, ironically, to me, is that it shouldn't matter where you live in Alberta. You should be able to have access to some kind of service, right? There are projects all over that are doing some phenomenal work, whether it's the Bell e-Learning centre in Olds, that has 10 communities that can have access to take grade 12 courses, that whole thing. There is some just phenomenal work going on. Part of it is that we look for indicators, and we want to make sure the ISP providers can get out and do the work that they need to do.

Mr. Griffiths: Thank you. You are absolutely correct, Minister. Actually, I wouldn't even say performance indicator. I'd suggest utilization indicator so that you can track the use. You're right. It would be really interesting to see those sort of statistics on how it's grown because I know there has been phenomenal uptake in some rural communities of the SuperNet availability. I know personally of some ISP providers where it wouldn't have been possible to provide the Internet without it. I get phenomenal service because of the SuperNet and the ISP provider that came in.

Mrs. Klimchuk: Those stories we need to champion; we know they're out there. As minister, you know, I'm always gratified to hear what's happening because sometimes you don't hear all the good stuff. So I appreciate that.

8:30

Mr. Griffiths: I guess I have one final question, again on performance measures, on page 237 of the business plan, 3(a). I don't quite understand, particularly, 3(a), what that means: a percentage of invoices paid electronically. Why is that a performance measure, and exactly what is it measuring? Who's paying electronically to whom, and why is it such an important thing that out of six performance measures it's shown up?

Mrs. Klimchuk: Ironically, you would not believe how much paper was still being pushed before we started to move with respect to

electronic invoices, with respect to electronic pay stubs, putting your hours in electronically. We're not there. I mean, with this 74 per cent we're not there, but for us it's very important because of the wins that we have in that area.

We all get stuck in old habits. It's part of the whole IT initiative and what we're doing. If a manual bill or something comes in, it costs \$80 to process that. That's appalling. This is really important to me when you see the percentage of invoices paid electronically. We need to do better in that regard – there's no question – and we can do better. Whether it's, you know, the P-cards or whether it's people bringing in receipts or those things, that's something that we're working very hard on in standardizing that across government, for sure.

Mr. Griffiths: Okay. I didn't realize it was \$80 per. Those are phenomenal savings. Is this measuring people paying the government by invoice, or is this at registry offices? Is it bills we pay? Is this just your department, or is it all departments?

Mrs. Klimchuk: It's all of government. It's all the bills that are paid in government. That's one of the reasons why when Service Alberta was wrestling with the budget and trying to come with our 15 per cent cut, we were able to take a larger hit. So other money could go to other budget areas where it was needed. This is just a perfect example of doing the right thing and making sure that we keep on top of it.

Mr. Griffiths: Sorry; I guess I do have some more questions about this in particular. This is a new performance measure, then. There are no previous years' records for it?

Mrs. Klimchuk: No.

Mr. Griffiths: This is sort of the baseline, the standard, where we're at. If the department was going to take a large reduction because of something like this, the initiatives that you could undertake, how did you drive this across other ministries? I mean, it's got to be very challenging to get other ministries to – they have a tendency to sometimes silo. How do you drive this across other departments?

Mrs. Klimchuk: Well, it's funny. I left government in 1992, when I left Premier Getty's office, and I came back. You're right. Working with all departments: Service Alberta leads that, and everything funnels through Service Alberta. We've just made it very clear, especially with the IMAGIS upgrade with respect to the payments for cheques and all of that and reporting days off or vacation or whatever. That whole area has been really important, and we knew we could do that.

Mr. Griffiths: Okay. I do have another question. I find this very interesting because your entire department can help other departments save money. So as this gets driven across other departments, the cost savings come to Service Alberta in the reduction in cost. Do they also come to other departments? Because they would perhaps need less staff or could refocus staff. If they're not using staff to actually handle an invoice, they could . . .

Mrs. Klimchuk: Well, everything is run through Service Alberta, all of the cheques. We print all the cheques. We do all of that through Service Alberta. So a lot of that is savings that we've targeted within Alberta, but if we can encourage someone in another department not to do a paper thing and charge, you know, the \$80 it takes to process it, then we've gotten a win. But as for leading it,

it's part of leading and transforming government and making sure that we're all on the same page. Sometimes the departments haven't been on the same page. That's what I've been very proud to bring to the table, the collaborative spirit that we need to solve problems and not create more problems.

Mr. Griffiths: Well, I hope . . .

The Chair: Thank you, Mr. Griffiths. The bell rang.

Mrs. Klimchuk: Thank you.

The Chair: Mr. MacDonald, followed by Ms Calahasen.

Mr. MacDonald: Yes. Thank you, Mr. Chairman. I have, I think, three questions at this time. The first one would be from page 238 of the business plan, capital investment by program in thousands of dollars. There are two services, one to Albertans and then services to government. The estimate for this year, 2010-11, is \$132 million, and for the target for 2011-12 there's a substantial reduction to \$9.4 million. Now, whenever you add this up, whether it's services to Albertans or services to government, in ministry capital investment there's a significant decline between 2010-11 and 2011-12 to the target. Could you explain that significant decline? What's going on with all this capital investment by program?

Mrs. Klimchuk: Part of that is that these are projects. The reason why that goes down, decreases by '11-12 is because these projects will be done. These are projects that we started. One of them is the justice information management system, which is called JIMS. The other area is case management, which is supporting SBAR. Minister Jablonski is leading that whole area. I can give you the numbers: \$50 million for the JIMS, \$35.3 million for case management, \$18.7 million for SuperNet ring closures. We have been working on ring closures across Alberta. Every time you close a ring, it provides better service. It's redundancy; that's the word I was looking for.

The other part: \$6 million of this is to standardize infrastructure. That means that across government in all the things that we do standards are in place, and those are the standards that we adhere to.

Mr. MacDonald: Okay. Am I correct in assuming that what you're telling us is that there will be a significant reduction in capital investment?

Mrs. Klimchuk: As the projects are completed, but that's not to say that there aren't many other projects that we may want to bring back. But you're right: when these projects are done, that's why that number goes down so dramatically.

Mr. MacDonald: If you're going to spend \$132 million one year, the next year and in the future you're going to spend \$9.4 million.

Mrs. Klimchuk: Right, and only if you can justify something of the magnitude of these. Transformational change within government is unbelievable, and this is an example of the Department of Justice and the good work they do, assisting them with their work.

Mr. MacDonald: Okay. Thank you.

Now, I have another question, and this is from page 345 of the budget estimates. You have premiums, fees, and licences. You have listed there motor vehicle licences, land titles, and other fees and licences, and I'm assuming that's personal property registry, corporate registry, vital statistics, marriage licences, licensing of

businesses in trade, name changes, and residential tenancy dispute resolution. If I look in previous years, I see where the revenue from residential tenancy dispute resolutions in 2008 was \$262,000. In 2009 it went up to \$409,000. Do you have any idea how much revenue will be generated from the residential tenancy dispute resolution service that's offered to landlords and tenants as an alternative means of resolving serious disputes outside of court?

8:40

Mrs. Klimchuk: Well, that's the success of the RTDRS program. With the demand for services with respect to RTDRS, when we first began it and then moving forward, we're still pushing forward with RTDRS. But when I talk about the other ways of providing the service, whether it's through video conferencing or for those kinds of things, that's why, you know, the numbers are different there, if I can say it that way.

Mr. MacDonald: Is it safe for us to assume that the revenue that's generated, as it increases, is an indication that more and more people, whether they're tenants or landlords, are using this service to avoid court time?

Mrs. Klimchuk: Yes. Since I first had this ministry, now it's two days a month that the courts are spending on time with respect to landlord and tenant issues, and you can imagine how many days they were spending before. The RTDRS, the purpose of the fee that's charged: it's a \$75 fee that we charge, a nominal fee that we charge to support Albertans. In cases of hardship that fee is waived as well. Part of it is to encourage people to come to the table to do their thing before it gets to the court system. It's been a huge success here in Alberta. I will continue as minister to make sure that we can support Albertans if they're going through a tough time with the landlord or if the landlord is going through a tough time with the tenant – you know, vice versa – because it works both ways.

Mr. MacDonald: So if it's a \$75 fee and we collected \$409,000 last year, that's a good number of . . .

Mrs. Klimchuk: Yeah. It's a demonstration of the success of the program, and it does go back into the GRF, the general revenue fund.

Mr. MacDonald: I should know the answer to this, but I do not, and perhaps you can help me. Why is this service not more prominently displayed on your website, on Service Alberta's website? It's there.

Mrs. Klimchuk: It's there, but it has its own website. Have you been able to navigate to find it? We have a link to it.

Mr. MacDonald: You've got a link to it?

Mrs. Klimchuk: Yeah. You're saying that we should give it more profile on the website? That's your suggestion?

Mr. MacDonald: Yes, please. I'm sure there's a reason why that's not done, and it's probably a good reason.

Mrs. Klimchuk: No, I don't think so. I think that, of course, when you set up websites, when you do all of that, you can always change and fine-tune them. We have the tipsheets as well. That's a big part of that. I'd be more than happy to look at that to give it a higher profile. It's a win for the consumer, and that's one of the main focuses of this ministry.

Mr. MacDonald: That appears to be working quite well. Thank you for that.

My last question at this time would be on the number of general service contracts that you anticipate to have in this year's budget in your department. Do you have a number on the general service contracts?

Mrs. Klimchuk: When you're referring to a general service contract, what do you mean? Give me an example.

Mr. MacDonald: General service contracts include the government of Alberta's commitment to IBM for the Alberta government integrated management information system, contracts like that.

Mrs. Klimchuk: I guess it depends. If there's a need for a particular area that we'll have to go into, that's when that will be addressed. It's going through the competitive process, the RFP process that I outlined before.

Mr. MacDonald: Last year in the annual report it indicated that the general service contracts were of the value of \$297 million. Do you anticipate that to go up or down in this budget year?

Mrs. Klimchuk: Well, I can't predict if it's going to go up or down at this point. Again, it's driven by the service demands and as well by all the things that we're doing within the government; you know, all the savings that we're finding across government with the IT efficiencies and all of those things. All of that is driven by demand in a particular area.

Mr. MacDonald: A lease of a fleet of cars would be an example of a general service contract, correct?

Mrs. Klimchuk: That's correct.

Mr. MacDonald: Okay. Thank you for that. I appreciate it. That's all for now, Mr. Chairman.

The Chair: Thank you.

Next, Ms Calahasen, followed by Mr. MacDonald.

Ms Calahasen: Thank you, Mr. Chair. Nice to see you again. Last year you did so well, so I know that you're going to do just as great.

Mrs. Klimchuk: Thank you.

Ms Calahasen: I just want to make a few general comments on the performance measures and just following the Member for Battle River-Wainwright. There seem to be a lot of quantitative versus qualitative measures. I know that you've been answering some of the questions as to what those mean and how you went to the quantitative. I'm just wondering: is there any possibility that there might be some qualitative measures that could be brought as well so that Albertans can identify with those qualitative measures that could be used as a possibility under your department? I was listening to Mr. Griffiths, and I find that there are some real issues relative to the information that's being provided. You know, I'll just give you an example.

Mrs. Klimchuk: Yeah. That's what I was going to say. If you have an example.

Ms Calahasen: On page 235, the call centre service, registry related. Well, the last actual was 93 per cent. The target was 80 per cent,

which was lower – and I don't know why you'd want to go lower – and then the target for this year is 80 per cent. When I look at that, I say: okay; so what does that mean? What does that mean to the average Albertan? Does it make any sense in terms of what that means? Are we looking at 80 per cent as a target for a call service index?

The second one, 1(b), is the comparison of Alberta's fees to other jurisdictions, as was identified earlier. With that kind of information, even though I know the reason you did that, it's sometimes really very difficult to be able to say to the average Albertan: this is the reason why we're using the quantitative versus the qualitative. I think if we could even just inject some of that information that was discussed earlier and see how we can begin to look at ways for us to be able to engage Albertans in that respect.

The second issue that I wanted to talk about, generally, is that you identified that 66 per cent of Albertans possibly could be connected, and for 34 per cent of that you said that there's no access except via satellite. Connectivity for northern Alberta is always an issue and always has been – and you know that – in the aboriginal communities across Alberta. My question is: are there any partnerships that your department is involved in to ensure that aboriginal Albertans and northerners are connected just as well as any other Albertan?

Mrs. Klimchuk: Okay. Excellent. Just dealing with your second point first about partnerships, that's been the key to the SuperNet. When I first became minister, I met with all the ministers that were involved, that had a touch on the SuperNet, whether it was advanced ed, whether it was Education, whether it was agriculture, aboriginal as well, and it was phenomenal. There are a lot of touches out there that the SuperNet touches. I agree with you, you know, about the partnerships, whether it's with an ISP or whether it's with, for example, the good work that the native friendship centres do. There's a huge opportunity there.

Recently Gene Zwozdesky, the former Minister of Aboriginal Relations, announced that there's a project that happened up in northern Alberta where there was a centre where there was access to computers and the SuperNet and all those kinds of things and that individuals who live in the area could go to. That was a win-win.

The solution to me is that if we can maximize partnerships, whether it's in northern Alberta or southern Alberta, whether it's in the ag area or whether it's in advanced education, we have to do that because we have to be smarter about how we spend our money and smarter with making sure we serve Albertans. We just can't throw money at all the solutions.

Ms Calahasen: I just want to touch on that because I think that when I look at some of the communities in my area, some of them are well connected, and others aren't, so it's really difficult for people to even get an education as a result of that nonconnectivity. I'm just wondering, if at all possible, if your department can take a lead in terms of making sure that those aboriginal communities and those small, isolated communities, whether they're hamlets or they're Métis settlements or whatever their status is, can also access, be connected in some way. That's a huge push, I think, that we should be really working towards if at all possible.

8:50

Mrs. Klimchuk: I can just add a comment, too, on that with respect to the Minister of Education and the good work that he has been doing in this area with respect to the schools, you know, all over Alberta. I mean, that's just a huge win. As I mentioned earlier, the example of the Bell e-Learning Centre down in Olds, you have 10 communities that maybe if you live in Vulcan, you can't get your

math 31, but if you go online and use the video conference, you can take math 31 so that you can get into Olds College or you can get into the University of Calgary or go to SAIT. There are some huge opportunities there for our youth and to empower our kids to stay in school. When they have access to technology and the world out there, we know it makes a huge difference.

Ms Calahasen: Yeah. Thank you. On page 236 of your business plan 2010, shared services. I know that shared services has been going on for a long time, and it appears that in most cases it has cost departments so much money just to get the shared services. Could you tell me if that has been held in check and whether or not it's actually working across government so that we can see the benefits of shared services? That was supposed to be the intent, and it kind of lost track for a while. I know you were trying to get ahold of it. I know that when I asked about it last year, you made some comments as to what was being done. Could you please identify and maybe update us on the status of where it's at and if you have got it wrestled?

Mrs. Klimchuk: When I presented this budget last year, some of the things we were working on in the area of shared services. I know that because of the fact that Service Alberta was able to absorb the 15 per cent cut in my budget, that to me says it right there in terms of what we're doing. We're doing the right thing in shared services, whether it's the GOA domain and access there, whether it's the cross-government CIOs, the chief information officers, that meet on a regular basis, and such simple things as shared technologies between departments, whether it's advanced ed and education. You know, we are moving in that direction.

Part of the challenge for me is, you know, you'll hear about things and think: oh, I've got to fix that; I've got to fix that. I'm always open to more ideas and doing it the right way and using technology to help us and to help Albertans. After going through what we've been through, this attitude adjustment – that's what I like to call it – we need to know that moving forward, we will continue to have an attitude adjustment every year so that we can do the right thing and maybe not do some things that we used to do. We have to do things differently and smarter.

Ms Calahasen: I know that's a huge issue because it became a huge machine and a huge monster. I think that by the strategies you had described that you were trying to deal with that, it was getting to be very effective.

I guess my next question to that, then, is: are there any performance measures that you have used internally to be able to see whether or not it is as effective as we thought it was going to be or as your department thought it was going to be?

Mrs. Klimchuk: I think a good internal measure for me, one of the things that we are working on, is a data centre strategy. That's something that the Auditor General brought out two years ago and the concern about how we store our data across government. We are moving towards that. That's going to be an excellent win there.

The other area, too, is looking at everything from a corporate approach, whether it's the SBAR project, which we are supporting with Minister Jablonski, leading with the social-based assistance. It's five ministries, and that's very powerful stuff because, again, it's about having an Albertan being able to access government with dignity and being able to find what they need to find. To me that is a super approach. Now, it has kind of shaken things up a bit, but that is very exciting.

Ms Calahasen: As a matter of fact, the community of Slave Lake is one of the proponents of that. They have certainly looked at how they can improve services for Albertans. I'm really excited to see what kind of outcomes we can get out of that and see if we can even do better.

My other question, actually, has to do with residential tenancy dispute resolution services on page 236, 2.4. It mentions actually exploring alternative ways to provide the residential tenancy dispute resolution services and mentions the use of video and teleconferencing. How and when do you plan on implementing the alternatives that you have discussed in the past? What is going to be the cost? Do you see any long-term cost benefits in pursuing these alternate ways of providing these dispute resolution services? What other consumer protection areas is Service Alberta currently focused on?

Mrs. Klimchuk: When you talk about the video and teleconferencing, we are already doing that. I can say that we started this service delivery in Edmonton and northern Alberta, and that was the circuit hearings, in-person hearings, video conferencing, and teleconferencing. With the changes we've made, sometimes you want to make sure you have the staff in place to deal with them. That's why video conferencing in remote communities is so powerful. Now the teleconferencing hearings are conducted in all areas of northern and central Alberta. It allows dispute resolution officers to hear cases without having to travel. That's a savings to government, and that's a savings to the individual, who does not have to put the gas in his or her vehicle or take a bus or whatever, you know, to get the services they provide.

Video conferencing costs about a thousand dollars per hearing, and the teleconferencing costs us about \$160 per month. In this budget in 2010 we've allotted \$1.2 million out of the budget here to support RTDRS, and that's really important.

Your comment about some of the other consumer areas that we're looking at. We're looking at the Fair Trading Act with respect to employment agencies. When I announced the investigation that we had completed, with the court case, that was excellent, excellent news.

We're looking at the Condominium Property Act. We had an excellent consultation on home inspectors, and we are now just finalizing some of the details on that. That was very exciting because both sides were in such support of having something in place to support home inspectors and how homes are inspected. This would just apply to resale homes, not to new homes, which are under the new home warranty program or some of those other programs. So there are a lot of areas that we can work on, but as a minister it's tough because I have to make sure of the vision we have, respecting the challenge of staff.

The other area that we're going to be looking at is the area of life leases. We're going to be doing some work in that area, which is really, really important. I know that Len Mitzel, the Member for Cypress-Medicine Hat, did have a private member's bill that in the last session that died on the Order Paper. But the whole area of life leases is another area. With our aging population we know that more individuals are looking at those, so we're going to be rolling out a look at that area as well, mainly things like, for example, all the different contracts that are out there.

I look at that as a very positive move for consumers and for everybody, no matter what age you are, because if you're helping your parent into one of these places, you want to know what you're getting into. That's to me a very good area.

Ms Calahasen: Well, good for you for accepting a private member's bill even though it died on the Order Paper. Good for you for being so positive, so proactive.

Mrs. Klimchuk: Well, Mr. Mitzel had done a lot of work on it. It's a huge issue.

Ms Calahasen: Now, on the revenue side on page 238, ministry statement of operations, it states in there that motor vehicle licences in 2009-2010 were \$360 million in the revenue area. In 2010-2011 there is an increase. Are you telling us here that the motor vehicle licences are going to increase?

9:00

Mrs. Klimchuk: No. I don't think that – you would hope. I mean, we can't predict what's going to happen in the next day or the next six months. You can hope that that's going to increase, but I think that will be one of the last things to come out. Personally, I don't know. We all get by with our cars that we have. We're going to come out of it, but that's why those numbers reflect that.

Ms Calahasen: Okay. I just thought: oh my goodness, another fee increase, right?

Mrs. Klimchuk: No. No fee increase.

Ms Calahasen: Okay. Thank you, Mr. Chair. That's it. Thank you, Madam Minister. You were excellent.

Mrs. Klimchuk: Thank you.

The Chair: Next, Mr. MacDonald, followed by Mr. Rogers.

Mr. MacDonald: Yes. Thank you, Mr. Chairman. I have some questions that start with the FOIP legislation. Many people are unaware that Service Alberta is the tender of FOIP these days. Which line item in your budget estimates would include the budget for FOIP administration?

Mrs. Klimchuk: That would be through the Legislative Assembly.

Mr. MacDonald: Not the office of the Privacy Commissioner?

Mrs. Klimchuk: So we're talking about the office of the Privacy Commissioner?

Mr. MacDonald: No. Your performance measures, which were reviewed by the Auditor General, note the administration of the FOIP Act.

Mrs. Klimchuk: It's in element 3, services to government. That is tracking the amount of investigations through FOIP and how quickly they are handled.

Mr. MacDonald: Now, do you have any idea if it's included in element 3, services to the government, how big the budget is, and can you give us an indication whether it is remaining the same, has increased, or has been reduced?

Mrs. Klimchuk: It is part of the legislative services budget. It's blended in there. We're not going to see any changes. The good work that FOIP does with respect to, you know, investigating and getting back to Albertans and that: I don't see a change in that. So that is where it is. It's within legislative services, probably in the legal area.

Mr. MacDonald: Okay. Now, my next question would be on the performance measures on the implementation or the handling of the

Freedom of Information and Protection of Privacy Act, the percentage of requests handled within 60 days. Whether it's 2006-07 or 2008-09, 96 per cent of requests are, remarkably, handled within 60 days. I for one find that unbelievable, and I would like to know how that result was achieved. Or are the 4 per cent of the ones that are not handled in 60 days from the Official Opposition?

Mrs. Klimchuk: I don't know. Most of the requests that were handled so expediently were requests for standard information, like personal information when an individual wants their personal medical record or things like that. I can't comment on the percentage that were the opposition requests.

Mr. MacDonald: No, but it's interesting to note that in, I believe, the Privacy Commissioner's annual report there is a breakdown of the source of the requests, and I'm just amazed that the turnaround time is two months on those.

Also, performance measure 4(b), the percentage of FOIP requests handled without complaint to the Information and Privacy Commissioner. That again, to me, is unbelievable. This is at a time when the government of Alberta is before the courts on a matter of allegations of altered documents from a government department, not yours, and it's a matter that's, you know, weaving its way, shall I say, through the courts. That certainly, to me, is a performance measure that we should be watching with significant interest.

Again, with performance measure 4(b), percentage of requests handled without complaint, going back three years, it was 99 per cent. I'm at least pleased to see that it has gone down two percentage points to 2008-09, where it's 97 per cent. You're indicating here that 3 per cent of the 3,356 FOIP requests last year – people had no problem with the administration of the act. Again, how did you determine that performance measure? I find that unbelievable.

Mrs. Klimchuk: I guess part of it is that, you know, when I meet with the Privacy Commissioner on a regular basis – and you know the good work that he does and the service that he provides to Albertans – that's part of it. Making sure that Albertans get what they need to get when they need their information, whether it's whatever they might be requesting, whether it's reasonable or unreasonable: we have to look at those requests.

Mr. MacDonald: Okay. Well, I'm skeptical, to say the least.

Now, before we're finished here, I would like to ask you a couple of more questions on the Fair Trading Act and the Condominium Property Act. You have plans, you indicate, for the Fair Trading Act. It was introduced by the former Member for Bonnyville-Cold Lake, Mr. Ducharme, I think. Now, what kind of timeline is the department operating under in bringing forth changes to this legislation? It's comprehensive legislation.

Mrs. Klimchuk: Well, I guess part of it is the Fair Trading Act. The last time it was amended, I believe, was in 2000. Anything that we bring forward will be like more or less an omnibus, looking at the Fair Trading Act, making sure that what we look at under it, what changes we have to make are comprehensive and that it's done, you know, in a good sweep. There are bits and pieces that have come out that have had to do with payday loans, with those areas. But on the Fair Trading Act anything we do is going to be very comprehensive. It'll be like looking at a number of areas, not just one area of it, because it does cover so many things.

Mr. MacDonald: Okay. You mentioned payday loans. Now, last year you made significant changes to protect consumers. I for one

applaud you for that. I am not sure we've gone far enough. Some individuals are really being used – I will use that term – by this system. Do you see any changes in this fiscal year to that regulation? Will it be tightened up even further to protect consumers from these lending practices?

Mrs. Klimchuk: To me that's a really good example of – you know, you don't want to regulate for the sake of regulating, but that was a very, very good area to go into. The federal government is the one. The only thing that the federal government was finalizing was the rate, the \$23 per \$100. That's something that they had to approve, so I anticipate an announcement coming probably in the next couple of days in that area.

I have to say that we've had some investigations and some calls from people with their experiences, and we continue to get those calls. That's really important to me, that people are looking at what they get into when they do choose to get a payday loan because we know they're everywhere. It's a service that's out there. I don't foresee any changes soon, in the next while, with respect to regulations, but we're always keeping our eyes open for areas that could be tightened up or changed, as you say.

9:10

Mr. MacDonald: I'm surprised that it's not higher than 3 per cent of Albertans. I'm surprised that only 3 per cent are using payday loans because if a bank closes in a neighbourhood, that's what's established in the former bank, it seems.

Mrs. Klimchuk: At my constituency office I have a payday loan and pawnshop behind me, and a payday loan on the other two corners across from me. I'm right in payday loan country. Yeah, I agree: they're everywhere.

Mr. MacDonald: Yeah. I'm in payday loan country, too, and there's a liquor store next to the payday loan company.

Mrs. Klimchuk: I think I have one of those, too.

Mr. MacDonald: Now, you also made some changes to regulations restricting or limiting landlords in billing tenants with the heat submeters. In this budget year what are you planning to do? Are you making any more changes?

Mrs. Klimchuk: The change that I made – and I did this in October – is that heat submetering is no longer allowed in Alberta. We are waiting to hear at the end of March – is it March 1 or the end of March? I think it's the end of March. The federal government under Measurement Canada have had their consultation about the heat submeters. We anxiously await their input, but I have a feeling they may not get back to us for a few months. That's why I did what I did with respect to heat submeters, not allowing them in Alberta right now, and what I've heard is that there are some heat submeters that are already being taken out of buildings. So it's a good thing; it's a good day for consumers.

Depending on what Measurement Canada says – I was able to make this interim measure, but when I was hearing the stories, the suffering that was going on, especially with individuals on limited incomes, it was appalling. I suspect that we probably won't hear from the federal government for a few months. Then we'll probably be already into the fall of this year.

Mr. MacDonald: I think that certainly on behalf of our constituents we appreciate your efforts and your department's efforts on that.

That wasn't a step in the right direction. I couldn't believe that. We were, like, going back to England in the 1950s.

Mrs. Klimchuk: Exactly. I appreciate your comments.

Mr. MacDonald: Now, your initiatives on the gift card rules: again, that's an interesting regulation. Will there be any changes to that in this fiscal year, or do you need additional resources to police that?

Mrs. Klimchuk: No. I can say that that's one of those things that I did fairly soon after I became minister because it was such a win-win for Albertans, and no, there's no extra staff or anything required. It's the consumer protection area. We still get the odd call. I know some friends of mine who have gone to places, and they've just pulled up the thing on their BlackBerry and said: you can't do this anymore. Businesses have really rallied. A good businessperson knows that if it's a gift card for 25 bucks or 50 bucks, typically the consumer is going to spend more money, so why would they not honour it? So that's a whole area.

The area that I've not been able to kind of delve into is the area, because it's the federal banks, with respect to some of the mall cards that are used with the banks. Whether it's some of the banking cards that you get, it's about advice to the consumer. They have the power in their hands to purchase a gift card directly from the business, and you can bypass some of those areas.

Mr. MacDonald: Does your department track what businesses are charging now for that one-time fee on top of the value of the gift card? Are your staff tracking that?

Mrs. Klimchuk: Yeah. Typically it comes at certain times of the year. In November I did a one-year anniversary of the gift card legislation because that was really important. What we're seeing is that some consumers are asking more questions. You know, you can charge a fee to get the card, but after that, you can't charge a fee unless it's through a Visa card. On some of those cards now the dormancy fees are not kicking in till the 18-month point versus the six-month point that most are kicking in. Again, that's federal jurisdiction under the banking system. That's something that I can't delve into, but I think the consumer knows that a gift card is money in hand, and they need to use that.

Mr. MacDonald: And there's no expiry date on any of these?

Mrs. Klimchuk: No. No expiry date.

Mr. MacDonald: Okay. Thank you very much, Mr. Chairman.

Mrs. Klimchuk: You must have some in your wallet.

Mr. MacDonald: No.

The Chair: Thank you, Mr. MacDonald.

Next is Mr. Rogers.

Mr. Rogers: Thank you, Mr. Chairman. Madam Minister, I do want to commend you on the quality of your presentation and, certainly, your answers. It's very obvious that you've got a good grasp on the subject matter.

Mrs. Klimchuk: Thank you.

Mr. Rogers: My questions are going to be around registries. I think it's safe to say that the registry system that we have in Alberta now

is probably a great example of success in reinventing, I would say, how we deliver government services. That said, we know that some of the operators have not been, certainly, of the standard that we would expect and, I'm sure, that you and your ministry would expect. Based on some of the problems that we've had – and certainly I realize that this is not the majority of these operators, but we have had some. My question is: what is your ministry doing particularly in the next year to enhance the compliance and accountability of registry agents in our province?

Mrs. Klimchuk: An excellent question. I just want to say that the registry agents across Alberta do amazing work, whether it's the counter service they provide, the tough times that they experienced this past year, when you couldn't hire staff, and now you've got to keep that staff and pay them at the high rates.

One of the things that we did last year was a stronger contract for all the registry agents in Alberta. That's something we put through last year which is really important. It's about accountability for the actions of the agents and their personnel, the people who are doing the transactions, which is really important, and the code of conduct for registry agents. We had things in place, but we wanted to make sure that the agents knew what was expected of them. As well, we have in-person audits at all registry locations. We have people checking and going in and doing those kinds of things. So it's kind of those measures and the fact that it's a privilege having access to all of that information that have made the agents work harder. That's a privilege, and that's something that they want to work hard at.

Mr. Rogers: Thank you. Just following up on that, I know that recently there was a new registry agent that set up in one of the towns in my constituency, and I know it was quite a process. Your ministry has some numbers in terms of how much they're expected to serve in a given trading area. It was mentioned earlier, either in your presentation or through questioning from Mr. MacDonald, that we're probably not at the level of the amount of agencies that you'd like to see. I'm just wondering what you're seeing in terms of people trying to set up new registries and where you are in meeting that goal that you have for the amount of registries that are serving the population.

Mrs. Klimchuk: That's right. I mean, the population has grown in Alberta. We know that there are pockets of Alberta where the population growth has just been astounding, and others weren't. Part of the model that we have with the current Association of Alberta Registry Agents and the AMA, the Alberta Motor Association – and when we look at the competitive edge that Premier Stelmach brings and that Bill 1 brings – is a model relating to agents being competitive, offering online services, and then having the option to have more registry offices if they wish. The whole area of expansion and where you expand is something that I've been working very hard on. Any expansions we do have to be based on a competitive model and the business of doing business, you know, that they're doing great business. So those are areas that we're looking at: the expansion, the online services, and then the competitive nature of it.

Mr. Rogers: Thank you. One of the new services that became available last year was allowing Albertans to register for Alberta health care through the registries, but of course this was limited. I'm just wondering what's in your plans for expanding that to allow more Albertans right across the province to be able to use that service through their local registry.

9:20

Mrs. Klimchuk: Currently a registry agent, as you know, can charge \$9 on top of the fee that the government has in the list. With respect to the Alberta health care cards, because of the offices that were closed in Alberta health care, this was an opportunity where we said: well, Service Alberta can provide this service through our registry offices. We started with 23, and there are many clamouring to get this service because, of course, when you go to get your Alberta health care card, the registry agents charge a fee on top of that as well.

But a couple of nuances: the cost in tracking the names and all that kind of stuff and how many people lose their Alberta health care cards because they're still on that little flimsy piece of paper that we all have in our wallets, right? We've had a couple of challenges with that. If a person comes back five or six or seven times because they keep losing their Alberta health care card, what do you do? Well, they have to deal with that.

I would love to expand it across Alberta in all registry offices. It's working with Health and Wellness. I'm working through some loops with them and the financial implications as well.

Mr. Rogers: Certainly, with the significant reduction in your budget this year, are you saying that you're challenged by your budget in order to expand this service?

Mrs. Klimchuk: No.

Mr. Rogers: Glad to hear that.

Just one final question, then, Madam Minister. It touches on something that Mr. MacDonald referred to on the FOIP area but, certainly, in terms of protection of personal information. Of course, I know that's a big goal in your department. Again, with the decrease in funding to the registries, will this affect the ability of the registries to keep people's information private?

Mrs. Klimchuk: No, most definitely not. There's the CARS system that we have in place, the consolidated agent reporting system, tracking the transactions that take place. Security of information is something that will not be affected by any of the budget challenges that we've had in Service Alberta. Again, to protect Albertans' information is so important. With the privilege of having access to that information, I know that all registry agents across Alberta take it very seriously.

Mr. Rogers: Thank you for that. Just a final question. You led me to this. It's something you mentioned earlier. You talked about that great, flimsy little card that we all have in our wallets. I know we've had a lot of discussion around government in terms of maybe a supercard, a card with health information and so on. Is your ministry moving anywhere in that direction, or where are we in moving away from that crappy little piece of paper that we all carry?

Mrs. Klimchuk: We're not there yet. I believe that with our driver's licence, with all the facial recognition technology, all the nuances that we've gone through, we've made some huge changes. I know that other jurisdictions have got what are called smart cards, where they'll have everything on it.

Mr. Rogers: I like the sound of that.

Mrs. Klimchuk: I've had individuals present to me on just that thing, where you'll go in and you'll have your Alberta health care and you'll have your medical records. Everything is on there.

We're not in a position to go for that at this point, for sure. At the same time, we've got to make sure that we're aware of what's happening around us. We know that our driver's licence is one of the most secure in North America, and we're very proud of that. With respect to making the health card better and then making it one piece, I don't know when we'll be there, but we're not there in the next year or two, that's for sure.

Mr. Rogers: Sorry to hear that because, again, as you mentioned, the quality of our driver's licence and the fact that we have one of the most secure in Canada would suggest to me that the Alberta know-how that was a part of developing that would certainly be a good start to taking us down that road, particularly on the health information. Even if we ended up getting another card, so we still had the driver's licence, but we had a health card that was smarter and certainly a lot more durable.

Mrs. Klimchuk: Yeah. That relates to, you know, the electronic health card through Health. I think that with some of that technology the challenge right now is a financial challenge, making sure that money is available to do that. But we know that the technology is out there, and it is being developed and fine-tuned. So we're at a good spot. We can make sure that whatever we do in the future is the smartest thing that we could do. So thank you. That's excellent.

Mr. Rogers: I guess what you're saying, then, is that maybe it's not necessarily that bad lagging a little bit behind so that we wouldn't have to do it two or three times.

Mrs. Klimchuk: Yes. That's right.

Mr. Rogers: Thank you.

The Chair: Thank you.

Next on the list is Mr. Sandhu, and you've got five minutes and 34 seconds left.

Mr. Sandhu: Thank you, Chair, and thank you, Madam Minister, for all your answers and, you know, working hard with the budget being reduced and for giving more service to Albertans.

As a business owner I note that you mentioned the BizPaL system and the ease of access to it. I think that it is important to provide support for business. My main question is: what measures has Service Alberta taken to ensure that Albertan businesses are supported during these difficult economic times?

Mrs. Klimchuk: With respect to BizPaL I know that the services we provide – that's in partnership with the provincial and federal and municipal governments. It's a fabulous project. We have it in most of Alberta. I think 70 per cent of the municipalities have it, and we are constantly bringing more on. To me, if you look at that particular model, it's a great model, BizPaL, because you can leverage it to do other things in order to support businesses.

I was at a conference one day, and some person said, "Why don't you have a ministry of business or of starting a business?" I said, "Well, have you ever looked at BizPaL?" This person didn't know about it. So there's an example where, you know, if you want to start a business at 2 in the morning, you can go online and do it. That's empowering Albertans and giving all the tools and working collaboratively with three levels of government.

Mr. Sandhu: The second one, just a quick one: what are the costs associated with this?

Mrs. Klimchuk: With BizPaL? Let's see. I'll just add something here. Sixty-two municipalities are offering the BizPaL services to 75 per cent of Alberta's population. That's pretty good. Right now Service Alberta pays an annual fee of about \$80,000 with Industry Canada to be part of the system. It's a win-win any time we can present it to move forward in Alberta.

Mr. Sandhu: Thank you, Minister. That's all.

The Chair: We've got three minutes left, so I guess, Mr. Xiao, you're next.

Mr. Xiao: So you want me to close this session? Sure.

You know, I just have a very quick question for you. Last year I visited the Alexander reserve. They built a data centre, if you recall, and are bringing the information back to the Premier and to the minister of Indian affairs then. We're talking about working with the First Nations. This is something, I think, where we can work with them because they invested their own money. We have no liability. As a government we can give this facility some business. My question, I guess, is: how can we as a government work with the First Nations by giving them some business from the government?

Mrs. Klimchuk: I thank you for that, David. I know the work you did on that, and you brought it to my department's attention. Thank you for that. I know that with the whole data centre there's been a huge, huge interest in what we're trying to achieve here, whether it's for, you know, all the information that we store for the government of Alberta as well as partnering with other institutions, whether it's the universities, whether it's the city, and having a place where we can have a true data centre with a backup because we know that's an issue.

The Auditor General pointed it out two years ago. We've been working very hard on that. Anything we do with respect to the data centre – you know, on the RFP that we will issue, if people want to be part of the RFP process, or when we do the request for qualification to start the process, that is probably going to be rolled out in the next six months or so. I think it's a really good thing for people to embrace. Again, it's a win-win for government and for our partners because it's all about partnerships and doing things better and more efficiently.

Mr. Xiao: Yeah. You know, that's great. It's very good to hear. Thank you, Madam Minister, and thank you, Chair. I'm done.

Mrs. Klimchuk: Thank you.

The Chair: You've got 30 seconds left, but I will just advise everyone that our committee is scheduled to meet next on Wednesday, February 24, to consider the estimates of the Department of Justice and Attorney General.

With that, I must advise the committee that the time allotted for this item of business has concluded, and pursuant to Standing Order 59.01(2)(a) the meeting is now adjourned.

[The committee adjourned at 9:30 p.m.]

