



Legislative Assembly of Alberta

The 27th Legislature  
Fourth Session

Standing Committee  
on  
Public Safety and Services

Department of Service Alberta  
Consideration of Main Estimates

Monday, March 7, 2011  
6:30 p.m.

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**Legislative Assembly of Alberta  
The 27th Legislature  
Fourth Session**

**Standing Committee on Public Safety and Services**

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Kang, Darshan S., Calgary-McCall (AL), Deputy Chair

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**Department of Service Alberta Participant**

Hon. Heather Klimchuk            Minister

**Also in Attendance**

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**Support Staff**

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6:30 p.m.

Monday, March 7, 2011

[Mr. Drysdale in the chair]

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

**The Chair:** Okay. It's 6:30, so we will call the meeting to order. Welcome, everyone, to the meeting. I'd like to remind everyone that the usual rules regarding electronic devices and food and beverages in the Chamber continue to apply.

Members and staff should be aware that all proceedings of the policy field committees in their consideration of the budget estimates are being video streamed. The minister whose department estimates are under review is seated in the designated location, and all other members wishing to speak must do so from their assigned seat in the Chamber. Any official or staff member seated in the chair of a member must yield the seat immediately should a member wish to occupy his or her seat. Members are reminded to stand when speaking.

Note that the committee has under consideration the estimates of the Department of Service Alberta for the fiscal year ending March 31, 2012. I'll just do a quick review of the process here for everyone. I know it'll get old hat after five meetings, but I have to review it every time.

The speaking order and times are prescribed by the Standing Orders and Government Motion 5, passed on February 23, 2011, and are 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 may speak; (c) for the next 20 minutes the members of the third party, if any, and the minister may speak; (d) for the next 20 minutes the members of the fourth party, if any, and the minister may speak; (e) for the next 20 minutes the members of any other party represented in the Assembly and any independent members and the minister may speak; (f) any member may speak thereafter. Within this sequence 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.

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.

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 p.m.

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

Vote on the estimates is deferred until Committee of Supply on April 20, 2011.

Written amendments must be reviewed by Parliamentary Counsel no later than 6 p.m. on the day they are to be moved. 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, April 20,

2011. Twenty-five copies of amendments must be provided at the meeting for committee members and staff.

A written response by the office of the Minister of Service Alberta to questions deferred during the course of this meeting can be tabled in the Assembly by the minister or through the Clerk of the Legislative Assembly for the benefit of all MLAs.

At this time I'll invite the minister of the Department of Service Alberta to begin her remarks.

**Dr. Brown:** A point of order, Mr. Chairman. Before we proceed, I noticed that you did mention that the usual rules pertaining to the use of electronic devices prevailed in committee. I wondered if there was a special reason that you mentioned that because normally the procedures of the Speaker with respect to use of them are that we can use them after the conclusion of question period. Was there some restriction on the use of electronic devices? I don't know what you were referring to.

**The Chair:** Well, the normal rules in the House. It referred to electronic devices and food and beverages, so the normal rules are the business of the day. You can use electronic devices.

**Dr. Brown:** I wondered why you even mentioned the electronic devices, then, if we can use them. It's okay, then?

**The Chair:** Yeah, you can use them. It was in my script, so I had to read it.

The minister may begin her remarks now.

**Mrs. Klimchuk:** Thank you, Chair. Thank you for the opportunity to present the 2011-12 estimate for the Ministry of Service Alberta. I'd first like to introduce my team here. This is Paul Pellis, the deputy minister of Service Alberta, and Janet Skinner, ADM of registries. We have Althea Hutchinson, our senior financial officer, and Jeremy Block, my new executive assistant. As well, Gord Rosko, with communications, is up in the gallery.

Before getting into the financial figures, I would first like to talk more broadly about the ministry's focus this year. Last year I talked about how we planned to transform the way Service Alberta operated, leading to better services for Albertans and more efficiency for the entire government. Two projects from 2010-11 I'm especially proud of, the collaborative effort between Housing and Urban Affairs and my department in piloting a project to assist homeless individuals in obtaining the Alberta identification card and standardizing a number of services provided to other government ministries, helping us reach our goal of a more efficient, streamlined, and cost-effective government. In 2011-12 we plan to continue the work we started last year to support vulnerable Albertans and make government even more efficient and effective.

Mr. Chairman, Service Alberta touches the lives of Albertans every day, whether it is through providing services directly to Albertans or through the critical support we provide to other government ministries. Our work is often behind the scenes, but it impacts an incredible amount of the day-to-day life of Albertans as well as the ability of the government as a whole to operate efficiently and effectively.

Programs the ministry delivers for Albertans include registries, business licensing, landlord and tenant dispute resolution services, vital stats, consumer protection, and many other services. Services provided to government include but are not limited to technology support, procurement services, interdepartmental mail, courier services, payroll, accounts payable, 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. I'm proud of the work done by the ministry to support Albertans. The steps we are taking this year support our vision and will lead to even better services for Albertans and our internal government clients.

Service Alberta's business plan outlines goals and priority initiatives for the next three years that link closely with the priorities assigned to me by the Premier as well as the government's overall strategic plan. A large part of our ministry work involves protecting consumers. This year we plan to modernize consumer legislation, including the Fair Trading Act and the Condominium Property Act. We also continue to protect consumers by investigating and prosecuting cases of unfair practices and continue to raise awareness with Albertans of the services available to them through the office of the Utilities Consumer Advocate.

We have numerous initiatives planned for the next three years to ensure Albertans have access to convenient and efficient services, including working with our partner ministries to enhance the programs and services website, which is the government's one window for online access to services for Albertans, continuing our work to support vulnerable Albertans by providing a single point of access to services and information through the Alberta Supports website.

We are also working with our registry partners on finding ways to improve registry services for Albertans, and we plan to upgrade the vital statistics registry system to meet the requirements of the planned changes to the Vital Statistics Act. To help Albertans who intend to register a corporation, we are working to harmonize corporate registration requirements between Alberta, British Columbia, and Saskatchewan, part of the New West Partnership. These are just a few examples of how we will continue improving services for Albertans this year.

Service Alberta also provides core standard shared services to ministries. Ministries rely on our services for their daily operations; for example, delivering mail, delivering library books for 96 locations across Alberta, ensuring the computer network is running, and helping purchase goods and services. The ministry works across government to facilitate government program and service delivery, reducing duplication of services, which ultimately better serves the public.

In the business plan there are a number of priority initiatives related to shared services over the next three years. Government contracts will continue to be simplified and improved to make it easier for companies to bid for government business. Computer hardware, cellphones, and hand-held devices for government employees will be standardized. Common vendors have been selected to provide some of these services, and the work is ongoing. We'll work collaboratively with other levels of government to strategically leverage the government of Alberta's buying power. Discussions have already begun with some of our federal and municipal counterparts. We'll continue to look for sustainable ways of moderating and satisfying increasing demand for our core shared services.

Through our corporate information security office we'll strengthen and solidify the security of information that the government holds on behalf of Albertans.

These are just a few of the initiatives that we're going to be accomplishing over the next three years. I'm excited about what my team will accomplish in the years ahead. These changes will lead to better services for Albertans and will help make government more efficient.

#### 6:40

Now let's move on to the estimates. I will now outline the funding we require as I present the ministry's estimate for the 2011-12 fiscal year. As noted on page 275 of the '11-12 government estimate, the expense to be voted is \$299.1 million, and the capital investment to be voted is \$50.4 million.

First, I would like to note that the department's voted estimate is \$8.4 million lower than the 2011 forecast of \$307.5 million. This decrease reflects both the fiscal restraint being exercised by government as ministries decrease their consumption of shared services provided by Service Alberta and efficiencies gained through 2010-11 as Service Alberta completed projects such as amalgamating government libraries from seven to four locations and continuing to increase the number of invoices processed electronically.

Of the voted estimate \$8.7 million is for ministry support services. This includes funding for the minister's office, the deputy minister's office, and corporate services.

The voted estimate for the registry program is \$53.5 million and includes land titles, motor vehicles, and other registry services. As part of Budget 2011-12 we are increasing fees for select registry services effective April 1. The cost of delivering programs and services has been steadily increasing; however, the government fees charged to Albertans have not been increased since 2002. For the past nine years we have been able to hold the line, but we've reached a tipping point and need to start recouping some of our costs so we can continue to provide excellent service to Albertans. These updated fees better reflect the cost of providing services. Even with these increases Alberta continues to have some of the most competitive fees in the country.

The voted estimate for the consumer services program is \$30 million and includes consumer awareness and advocacy and the Utilities Consumer Advocate.

The voted estimate for the ministry's business services program is \$64.9 million. The business services program provided to government includes mail and courier services, records management, government libraries, procurement services, processing government invoices, Crown debt collections, management of the government payroll system, and vehicle services.

The technology services program budget is \$141.8 million. This includes data centre operations, software licences, Alberta SuperNet, and support and security of government's computers.

As well, there is \$50.4 million for the capital investment estimate, primarily for the following initiatives: final-mile broadband initiative, Alberta Supports, and justice information management system.

I'd like to provide you with a brief update on our final-mile initiative. We believe access to secure, reliable broadband, including high-speed Internet, is vital to the economic prosperity of rural Alberta. To that end, we are strengthening and completing our vision of providing secure and stable high-speed Internet services to all Albertans. Expectations are very high, and Albertans more and more see high-speed Internet as an essential service just like telephone, power, and water. Alberta SuperNet was a huge step forward in connecting government to Albertans.

As well, provincial and federal government broadband funding programs and entrepreneurial Alberta communities are working to increase broadband services in the province. Those services continue to grow, and ISPs continue to expand services in Alberta, but we know that more work needs to be done in many rural and remote areas.

The challenge is to find the best way to enable the private sector to close the gap and bring sustainable broadband access to all parts

of the province. This is an ambitious goal with far-reaching, long-term benefits. We need to make sure we do it right for Albertans and communities, driving economic and social sustainability, and for industry, who have invested in bringing services to where they are today. We are currently getting a more complete understanding of Alberta's situation and solid ideas to strengthen and enhance rural broadband. In August we issued a request for information to gather input from industry. We are now meeting with each of the respondents.

We also recently worked with the federation of gas co-ops to survey rural Albertans and better understand where broadband services are available today. This work will ensure that we can strengthen our final-mile broadband strategy to drive economic development, support private-sector competition, and encourage vibrant and sustainable rural communities.

These are the 2011-12 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. It will provide Service Alberta with a stable foundation that other ministries need to build their programs and services to meet the needs of Albertans.

In conclusion, I would like to acknowledge the staff of Service Alberta. The work that is accomplished by the ministry is the result of incredibly hard-working and dedicated individuals. They are an amazing team and a credit to the public service.

This concludes my presentation. I look forward to the questions.

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

For the hour that follows, members of the Official Opposition and the minister may speak. I see Mr. Kang, and I'm assuming that's you. Do you wish to share your time back and forth?

**Mr. Kang:** Thank you, Mr. Chair. I would prefer to carry back and forth.

Thanks, Madam Minister. I think it was kind of informative on your part. I felt like having no questions and just going home, but I'm sorry to say that I'm going to use up my hour. I think Peter wanted to go home early. That's why he was winking at me. He wanted to give you an easy night.

**Ms Calahasen:** That's because she's really good.

**Mr. Kang:** Oh, yeah. She's good. I have no problem with that. I think we should get on with the business. Thanks for your input.

Madam Minister, the expense and equipment inventory purchase is going to be – the amount to be ordered is what I'm talking about – \$299 million, and capital investment is \$50 million. The estimates for Service Alberta indicate that Service Alberta's total program expense will be increased by \$28 million, from \$271 million to \$299 million, or about 10 per cent over last year's budget estimate, on page 276. This is a decrease of about 3 per cent when we compare this with the 2010-11 forecast, and this forecast shows that Service Alberta is set to overspend by 13 per cent in the current fiscal year.

The budget estimates for 2010-11 cut Service Alberta's budget by 13 per cent last year, and that's according to the new government accounting practices. Service Alberta has overspent by about 12 per cent. Forecast spending after the cuts is very close to spending before the cuts. The estimate for 2011-12 is up about 10 per cent but still lower than before the cuts. Can the minister explain in general terms how it is expected to manage a budget lower than two years ago?

**Mrs. Klimchuk:** Thank you, hon. member. Just a couple of things. Of course, supplementary estimates were done a couple of

weeks ago, so that's another issue. Tonight, moving forward with this budget, the \$28 million increase between the 2011-12 estimates and the 2010 budget of \$271.1 million reflects \$12.2 million for continued support to provide SuperNet and video conferencing for government departments, which enhances and expands Albertans' access to technology in a continually expanding digital world. Seven million dollars is to address the increasing cost of providing information technology shared services to government departments, and \$6.3 million of that is for increased demand for shared services such as mainframe support and software licences. Lastly, \$2.1 million is for the corporate chief information officer, which resides in Service Alberta, and each department now has information officers that work across government to ensure that the information is protected.

Those are the areas where you're seeing the increase.

**Mr. Kang:** Okay. Since the estimates for Service Alberta were so unreliable last year, why should they be considered more reliable this year? No surprises. Is there any explanation for those surprises we had last year?

6:50

**Mrs. Klimchuk:** Hon. member, I think what's really critical here is that you look at the forecast over these last three years. This is my third year presenting the estimates. What's really critical to me is especially in the areas with the demand for SuperNet and video conferencing. It has been a tremendous asset to all government departments. The fact of the matter is, you know, the cost savings that are inherent when you can do a video conference call, those kinds of things, and then the SuperNet.

I guess part of it is that people are looking at the services and making smarter use of the services. I think moving forward, I can anticipate more of that happening, making sure that, you know, in this budget we keep working on that and encourage departments to look for those savings, especially with video conferencing because we know it's an incredible tool when you can talk to people anywhere in the world, Alberta or anywhere else. So I think those are the areas where there's going to be some shifting, and technology is always shifting, right?

We want to do what's right for Albertans. Protecting information, working with the Auditor General: that's absolutely critical in some of the numbers that you're seeing.

**Mr. Kang:** I believe we'll be getting the latest in technology because technology is just improving so fast. You talk about the SuperNet. Are we connected all across Alberta with the SuperNet, or are we still working on it? How long will it take, and what kind of money will we save with this video conferencing and all the new technology? Is there any estimate on that?

**Mrs. Klimchuk:** Just a couple of things. With respect to the SuperNet, my favourite topic, we know that 34 per cent of rural Albertans do not have access to the Internet, when we did the research and checked into it. We know that we have the legacy of the SuperNet in 2005. It's a fantastic tool. It's in our schools, libraries, municipal offices, all of the major government areas. So the final mile is about leveraging the SuperNet to get out to rural Alberta.

We know that there's incredible work that's been done by municipalities, AAMD and C, AUMA, Federation of Alberta Gas Co-ops, the Department Agriculture and Rural Development. We want to make sure that going forward, it's a holistic approach to finishing the final mile, using the legacy of the SuperNet and also using the ingenuity of Albertans.

I know that we've spoken to this at a number of conferences. We know that in a city you can download. If you're sending an assignment to your teacher at university, you can send it like that. In rural Alberta there was a recent snowstorm that took place – I guess anywhere in Alberta there were snowstorms – and what happened was that some students missed about a week of school. The teachers were doing their very best to try to keep work going, but some of the students were unable to send their assignments in because they only had dial-up. They did not have the technology to do that.

So when you think of the challenges that are out there, it's a tremendous opportunity to do it right. We know that in the budget right now I've seen \$10 million allocated for the SuperNet, working towards the final mile and making sure we can reach that goal for this year and then for next year.

**Mr. Kang:** Okay. You said 34 per cent of Albertans don't have the service of the Internet or SuperNet. How long do you think before they will be able to have that service?

**Mrs. Klimchuk:** Thank you. I should clarify. The SuperNet was never intended to go to individual homes. It was an enabler to get the fibre in the ground and then to use it. We had the expression of interest. The department has met with the 29 individuals who have sent us proposals. Moving forward, we'll be going into a request for information and then into the RFP, and the RFP will be going out by July-August. Then once the RFP is awarded, it will be two years from that point that the final mile should be completed. Now, that's what I would like, and that's what I'm striving towards. I know my team is working very hard on that as well.

**Mr. Kang:** Okay. Coming to capital investment, page 277. Capital investment is estimated to be about \$50 million, which is about \$82 million less than the estimate for 2010-11. That is about 62 per cent below last year's estimate. However, it is about \$17 million, or 53 per cent, higher than the 2010-11 forecast. With all due respect for the minister's obvious economy this year numbers like these suggest that Service Alberta's financial planning process is not very satisfactory. Can the minister explain what went wrong here?

**Mrs. Klimchuk:** Thank you. With respect to the capital projects area under enterprise services, the 2011-12 estimate of \$40.7 million is for the information management and technology, IMT, strategy that was approved by Treasury Board and is broken down as follows: \$15 million for the justice information management system, known as JIMS; \$11.7 million for Alberta Supports, the SBAR project between the five ministries that I spoke about earlier; \$10 million for the final-mile broadband initiative; and \$4 million for standardized infrastructure.

The \$69.3 million decrease between the '11 and '12 estimates, \$40.7 million, and the 2011 budget, \$110 million, is due to the reallocating of IMT funding from the 2010-11 to the 2011-14 year, so the \$31 million increase between the 2011-12 estimate and the 2010-11 forecast, \$9.7 million, is due to the reallocating of the IMT funding from 2010-11 to 2011-14.

I should just add with respect to that that successful information systems are responsive, and they must be flexible enough to meet changing business requirements and technology demands. The funding for the capital projects under the IMT strategy has been reallocated to 2011-14 as these are large-scale capital projects, which require more time to address the changing requirements.

**Mr. Kang:** Thank you. There appears to be an issue in capital projects for enterprise services, which was budgeted at about \$110

million and came out to be about \$10 million, and \$41 million is estimated for 2011 and '12. Can the minister explain why capital projects in enterprise services was budgeted at about \$110 million and is now forecast to be \$10 million in this fiscal year and estimated to be about \$41 million in 2011-12?

**Mrs. Klimchuk:** Okay. I just answered that question before. I will say it again. When you're allocating the information and management technology strategy, that was approved some time ago, it's allocating and making sure the resources go to where they need to go. That's with respect to the numbers that you're seeing. We've already done a lot of work with respect to the justice information system and \$11.7 million for Alberta Supports, \$10 million for the final-mile broadband initiative, and \$4 million for standardized infrastructure. At any given time in our department we're trying to allocate where the money best should go, so that's why you're seeing that on that page.

**Mr. Kang:** Okay. Then coming back to equipment purchases for procurement and administration services, it was \$18 million for this fiscal year, and it is estimated to be about \$4 million for 2011 and '12. Can the minister tell us what the equipment purchases were for this fiscal year and what is planned for 2011-12?

**Mrs. Klimchuk:** You're talking about the decrease between the 2011-12 budget and the actual?

**Mr. Kang:** Yeah.

**Mrs. Klimchuk:** Okay. The decrease between the '11-12 estimate of \$4.1 million and the '09-10 actual, \$18.6 million, and the 2010-11 budget forecast, \$17.6 million, is for the vehicle purchasing program. Treasury Board approved five-year funding on a decreasing scale starting in 2007 to '08. So what you're seeing is that it's decreasing because we're purchasing the vehicles now once the leases are done, so there'll be no more leasing. Vehicles will all be purchased and owned. That's why you're seeing that decrease. The funds are being used up, and then all the funds will be used up.

**Mr. Kang:** So they will be all hybrid vehicles?

**Mrs. Klimchuk:** Well, I know that a government vehicle – we have a number of different vehicles. I mean, I'm currently driving a hybrid vehicle, a Toyota Highlander, I'm proud to say, and it's a great vehicle. But I have to say that we know across government, there are many different needs for vehicles, whether it's some of the vehicles that SRD uses, some of the vehicles that Environment uses, so we're very respectful and want to make sure that the right vehicles are there for employees to get their jobs done in a safe manner.

7:00

**Mr. Kang:** Thank you. Coming to the goals and priority initiatives, business plan pages 97 to 100, Service Alberta's business plan for 2011-14 provides the following goals and priority initiatives under Convenient and Efficient Services:

- 1.1 Support vulnerable Albertans through Alberta Supports to move towards citizen-centred programs . . .
- 1.2 Upgrade the vital statistics registry system . . .
- 1.3 Harmonize corporate registration requirements [among Alberta, British Columbia and Saskatchewan.

You talked a bit about it, you know, in your opening statement.

I would like to begin with a few general questions about Service Alberta's goals and priority initiatives. With respect to goal 1 I have questions about priority initiative 1.7, that's to enhance the

website that provides “the government’s one window for online access to services,” page 97. The name that Service Alberta brings to mind is Service Canada, which offers a wide range of services to Canadians from the Service Canada portal. Can the minister explain what the goal is for Service Alberta’s portal and how Service Alberta compares in terms of the range of services available with Service Canada?

**Mrs. Klimchuk:** Thank you very much. As well as Service Canada I know that many provinces across Canada have the same kind of Service Alberta or Service Canada kind of front. I know that one of the things the website, the Service Alberta website that you can go into when you go on the government website – the website was developed within our department, and it’s a great tool for people to find information. As a matter of fact, it won a Premier’s gold award, and then it won a national award that was presented in Toronto for the good work that we’ve done on our website.

It’s really important to me to make sure that our website is accessible, the fact that people can get on it and find the information that they need. That’s when you talk about the one-window approach. Related to that, of course, is the social base, the Alberta Supports website, which is another adjunct to this. The Alberta Supports website, with the five ministries that have been involved, is an ongoing tool that is being used by hundreds of Albertans all over, whether they’re people in the police service, whether they’re social workers, whether they’re people looking for jobs. The whole goal of that is the one-window approach, so someone can go into it, find what they need to know. They don’t have to know the name of the minister. They don’t have to know the name of the department. They don’t even have to know the name of the program. You can actually go in there and put yourself on a – there’s a calculator. You can go in there and figure out the help you need. That’s really critical to me.

It is very important to me and this government so that people can get the help they need sooner rather than later. It’s working, for example, in Employment and Immigration, in their offices that they have across Alberta, when people go look for jobs, those kinds of things. Oftentimes when people need assistance, sometimes it might be in the middle of the night if something is going on. Often we have the police services that are really happy with this because if they have apprehended a child or have to take a child from a home in the middle of the night, they are able to go on the computers in their cars and see where the safe house is for that child rather than waiting until 8 in the morning till the government office opens.

It’s really apparent to me that the SBAR is moving in the right direction, and we’re very proud of that. We’re making sure that it’s useful. That is related to the Service Alberta website as well, because it’s all connected.

**Mr. Kang:** Thank you.

Goal Two: Informed consumers and businesses and a high standard of marketplace conduct

Priority Initiatives:

- 2.1 Modernize consumer legislation including the Condominium Act and update the Fair Trading Act [with respect] to residential construction . . .
- 2.2 Raise Albertans’ awareness of the Utilities Consumer Advocate.

Continuing with goal 2.1, I would like to focus on the goal of modernizing consumer legislation. Can the minister tell us what the overall plan is for consumer legislation? How are the priorities initiated or determined? For example, are they driven by standard review periods, consumer complaints, court actions, developments

in other jurisdictions? In short, where do these initiatives come from? Could you elaborate on that, please?

**Mrs. Klimchuk:** Thank you very much, hon. member. A couple of things. First, to talk about the condominium act, I know we’ve had questions in the . . . [A timer sounded]

**The Chair:** That just indicates the first 20 minutes, so continue. There’ll be two more sets of 20.

**Mrs. Klimchuk:** Thank you. I know we’ve had some questions in the House about the condominium act. For the last year, year and a half we’ve had an excellent working committee looking at the act. We’ve been collecting all of the correspondence and letters. You’ve sent me some from some of your constituents that we’ve tried to help and things like that. My plan is to continue with the Condominium Property Act consultation and go into full consultation mode into late spring, early summer. That’s my wish. I think it’s really important that Albertans can be part of this. We’ve already got a lot of good work under way. So that’s one area, I think, that’s going to be very helpful.

With respect to the Fair Trading Act, the Fair Trading Act hasn’t been updated for 10 years. So, again, when we look at updating the Fair Trading Act, because it’s the consumer arch of everything we do in government, we want to make sure that we update it and make any changes that we have to make with respect to some of the issues that Albertans are facing. That’s something that we’re looking at, but that would not be, you know, in this current spring session, by any means.

Then the other, the Utilities Consumer Advocate, I know that the advocate has been doing excellent work with respect to some of the individuals that are contacting our department and some of the questions that people are asking and the thousands of calls that we get here with respect to the advocate in any given year. I think it’s about 50,000 calls. Sorry. Just bear with me. I just want to share some of this information. The Utilities Consumer Advocate: last year we had 45,000 calls made to the UCA to date. Of these calls to the UCA over 2,000 required mediation by the UCA office to work with utility companies and consumers to resolve disputes. So I think that’s really good, and I think we need to make sure that Albertans know we’re accessible.

Related to that, I’m just going to talk a little bit about the Alberta consumer contact centre. This is another area where people can phone. We had 255,000 calls last year. As well, we had 300,000 hits on the UCA website in the last fiscal year. Some of these calls relate to 25,000 applications by the residential tenancy dispute resolution service, requesting mediation services and those kinds of things. Then we had about 1,100 investigations conducted by investigation services for Alberta’s consumer protection legislation the past year, resulting in 225 charges being laid. So, again, there is a lot of good work going on, but we know that Albertans know when they can contact us by phone or by e-mail. You know, it’s just critical that we keep providing that level of service and look for improvements as well.

**Mr. Kang:** Thank you.

Okay. You talk about the Condominium Property Act on page 98. Are there any deadlines set on when it will be done, completed, the consultation process and all the amendments to the act? When do you think: a year down the road, six months, two years?

Also, action to address shoddy residential construction practices is long overdue. I’m pleased to see that it’s included in the ’11-12 business plan. What progress is expected in the coming year? When can we expect to see the act to amend the Fair Trading Act? You know, are there time deadlines?

7:10

**Mrs. Klimchuk:** With respect to your question about the deadline for the condominium consultation, with respect to that consultation there are some consultations that can go on for a longer period than others, so I'm not going to give a deadline. I think it's just important that we start it and have the dialogue and get it done. I don't anticipate it being a five-year consultation or anything. I think what's really important is the beauty of what we've done already. We've collected a lot of excellent information, excellent stories and experiences that people are experiencing.

I know that I get a lot of letters from seniors who are living in condos. The unfortunate part is that they may not know what's required of them when going to the meetings and things like that. So when they get an assessment or an extra fee going on, it can be very terrifying because, of course, their incomes are limited. I think that whatever we do is going to be comprehensive, and I most certainly would not want to put a time frame on it. I know that I want it to be done in a really thorough manner.

**Mr. Kang:** Okay. Well, taking this a step further, in the government's consultation processes we always find businesses speaking up, but we don't always hear the voices of consumers. Decisions on consumer legislation can have a major impact on the finances of individuals and on their lives. Can the minister tell us what proactive steps will be taken in the legislative review process to ensure that the concerns of individuals are heard?

**Mrs. Klimchuk:** Just to clarify, with respect to the Condominium Property Act or with everything?

**Mr. Kang:** I've got another question after this. You know what I'm talking about.

**Mrs. Klimchuk:** The condominium act.

**Mr. Kang:** Yeah.

**Mrs. Klimchuk:** Okay. Thank you. I know from what we have been collecting, there's been a lot of concern about access to minutes of meetings, how board meetings are run, how motions are passed. There have also been different things on how assessments are done. So just looking at the whole governance of the condominium board. We also know that 10 years ago there were not as many condominiums being built as there are now. Condominiums are affordable. We know that moving ahead we want to make sure that people know what they're getting into.

It was the consumer choice awards which I did today. I've always said that the job of government is to educate and to give people the tools to make good decisions for themselves. Especially when you're involved on a condominium board or you own a condo, you really need to know what's expected of you.

Those are the things that I would like to look at. Unfortunately, we may not be able to change some things that have happened, some of the situations that have come forward, but we can make sure that the next round of buyers know what they're getting into when they do purchase a condo, that they are expected to attend meetings or send someone on their behalf so that their rights are protected.

The other thing that I'll just add is that a lot of individuals will move from a home into a condo because they're downsizing or for whatever reason. It just strikes me as a bit strange that – when you own a home, you have to maintain the home. When you own a condo, you've got to maintain the roof, you've got to maintain the fences, you've got to maintain the windows. So some of those assessments have to be done. We have to make sure that the con-

sumer knows when they go in that they're going to have to eventually pay to put a new window in and make sure it's being handled properly by the condominium board. Ultimately, when the condo does sell, for resale you want to make sure that it's as well maintained as when you had your house.

**Mr. Kang:** Thank you.

You were talking about the Utilities Consumer Advocate, and the office had a troubled history. It is the subject of the second of two priority initiatives in consumer services. Service Alberta's 2009-10 annual report, which was one of the shortest in the government, did not even mention the Utilities Consumer Advocate in the ministry's overview, perhaps because of the publicity surrounding the departure of the previous advocate.

Nevertheless, the UCA is the subject of one of the two priority initiatives in consumer services for 2010-11. The plan is to raise Albertans' awareness of the UCA, business plan, page 98. Can the minister explain how Service Alberta intends to raise awareness of the UCA, and can the minister explain how this initiative fits into overall government strategy to address the widespread belief among Albertans that the deregulation of electricity puts the burden of electricity transmission on the shoulders of consumers?

**Mrs. Klimchuk:** Thank you, hon. member. The report: I just happen to have it right here. I didn't know it was the shortest in government. It's about 41 pages, which I think is pretty good.

I want to say that you indicated that it was not mentioned in the annual report. Well, it is. If you look on page 6 – and I'm just going to refer to it – it's talking about corporate business and financial services. I'll just paraphrase from the 2009-10 annual report: the Utilities Consumer Advocate represents and protects Albertans' interests in the regulatory proceedings of the Alberta Utilities Commission and provides consumers with the information they need to make informed choices about how to purchase electricity and natural gas based on their individual needs.

So it was referred to in the annual report. I would not have approved it if it wasn't in here because it's very important to me, the calls that we get, people asking. For example, you can go on the website or phone one of our great staff, and they'll tell you what different companies are offering for gas and electricity. I think it's an incredible tool. This past year there has been a campaign to make more people know about it. One of the things we've been doing is a lot of trade shows, going out there. There are information packages that are available.

Some initiatives that we're working on that I think are excellent are in the whole area of plain language. We are working with a number of the companies. As you know, when we get our bills, you look at the bill and you go: oh, okay. There are always different words and different charges and different terms, so we're looking at that plain language piece, which is absolutely critical. I'm very proud that the Utilities Consumer Advocate is working on that, just to share that with you in case you didn't know that. I think it's a wonderful initiative. I know from the questions, the letters that come across my desk – people send me their bills, and we try to figure them out and assist them. I think the UCA is doing excellent work in that regard, especially going to all the trade shows and being made available to Albertans.

**Mr. Kang:** Coming to goal 3, core standard shared services that facilitate government program and service delivery. Priority initiatives: it goes on to talk about in 3.1, standardize mobile communication services; 3.2, meet demand for core shared services; standardize procurement processes; standardize core shared services; improve contracting services; and 3.7, strengthen the



security of the information held by the government. My general questions on goal 3 relate to standardization, which is a clear theme running through the varied jargon, urgent priority initiatives under this goal.

The minister may recall when the government of Alberta and department of restructuring and government efficiency, or RAGE, was established, and there was considerable resistance in some quarters to the centralization of service. Now that RAGE has become Service Alberta, has the perception changed? Do the priority initiatives reflect a need for improvement to make the centralization program a success, or do they reflect dissatisfaction with the current services?

On the issue of centralization, I noted that Service Alberta handed over responsibility for certain information technology network services to Alberta Advanced Education and Technology – that's in the estimates on page 3 – and for managing office furnishings for the public service to Alberta Infrastructure. The second question is: can the minister explain why these changes occurred?

Finally, can the minister tell us how many ministries manage all or some of their own IT services?

**Mrs. Klimchuk:** Thank you, hon. member. Just a couple of things. I know that the whole area of standardized core services, shared services is really important to me, I know very important to Treasury Board as well, and there has been a huge positive shift in that. I believe that when this portfolio was created, part of the vision was the one window, one enterprise. That relates to not only services for Albertans but services internal, between government departments, and getting better at that because we needed to improve at that.

7:20

We've made huge improvements in procurement in the IT area, in IMAGIS, which is electronic pay sheets. Believe it or not, a lot of it was on paper, and now it's all electronic. We did that last year. The other area where we've consolidated and made some great changes are the libraries, going from seven down to four. We know that right now there are 28,500 seats in total of the computers and the staff across government; 22,000 of these are on the GOA domain. We're continuing to move forward to make sure that individual departments come onto the GOA domain and to make sure that IT is looking for savings. We know there are huge savings.

For example, one of the things that we do now is that we buy one licence for all the departments, not 24 licences, one licence, and that's been a huge savings and a huge change. Little things like that add up over time. I have to say that the initiative of shared services and the one enterprise and one window is absolutely critical, and there's a huge positive shift now. The departments that will be coming on in the future are looking forward to that. It has been a very positive shift. It takes time, no question. That's something that my team has been working very hard on.

**Mr. Kang:** Thank you.

I wonder what kind of fee they pay for, you know, that one licence instead of having 24. That would be my question, too.

Coming to the registries as well. My question on the Service Alberta program relates to registries. The registries budget was cut by about \$8 million, or 14 per cent, in 2010-11; however, the forecast is that registries will overspend its reduced budget by about \$3 million this fiscal year, or about half of the amount cut this fiscal year. The budget is being increased by 12 per cent for 2010-

11. Most of the overspending was on registry information systems. Can the minister explain what happened? Were there ever any realistic hopes that registries could operate on the reduced budget? If the answer is yes, then why is the budget back up to nearly its previous levels?

**Mrs. Klimchuk:** Thank you, hon. member. A couple of things. First of all, with respect to the land titles we know that the \$1.7 million decrease between '11-12 estimates of \$12.8 million and the '09-10 \$14.5 million reflects a decrease in land title transactions. With respect to the motor vehicles the \$2 million increase that you're seeing between the 2011-12 estimate, \$16.1 million, and the 2010-11 forecast, \$14.1 million, is attributed to our department's commitment to continue to provide vehicle registration notice mail-outs. We still do those. There was talk of kind of not doing mail-outs anymore, but we just thought it was something that we wanted to continue doing. That's why you're seeing the difference in figures. We will continue to do that.

Some of the cost, too, with respect to the increase you're going to see is in some of those areas where some of the fees have been going up. For example, since 2002-03 the cost for all motor vehicle products has increased by 109 per cent, and the cost to provide all land title services has increased by 71 per cent, and the cost to support the registry information systems has increased by 164 per cent. Of course, the registry agents, who do tremendous work all across Alberta, have the technology in their offices, and we provide support to all the registry offices with respect to the technology and the MOVES system and the great work that they do. So that's where you're seeing some of those numbers going up.

**Mr. Kang:** Did you talk about the information systems in there? Did I miss that?

**Mrs. Klimchuk:** Yeah, I did.

**Mr. Kang:** Okay.

The increase in Service Alberta registry fees in some cases has increased by 150 per cent, and it has been very, very controversial in part because we have been assured that information technology provides more efficiencies and reduces the cost of services. Service Alberta's business plan makes a great deal of leveraging economies of scale, so why these huge increases? What methodologies were used in the ministries to determine that these increases do not exceed the cost of the service? Can the minister tell us what percentage of these increases in fees to Albertans will go to the business that makes up the registry agent network? Are the fee increases connected in any to the fact that the registry agent network is operated by a private-sector business?

**The Chair:** The last 20 minutes.

**Mrs. Klimchuk:** Thank you.

With respect to the fee increases that were part of this budget, we know that the fee increases that have gone up are based on cost recovery. As I indicated before, the cost of doing all of this information – I'll repeat again: motor vehicle products have increased by 109 per cent; costs provided by land titles services increased by 71 per cent. There had not been an increase since 2002.

Any of the increases were very competitive with what's happening across Canada. We are certainly in the mid-range or lower in many of our fees. These are costs to the consumer, of course, but these are just the costs of government doing business and cost recovery. I guess the challenge is, as with any good business, eventually you're going to have to do cost recovery to make sure

that you can keep continuing to serve Albertans. None of these fees will go to the registry agents; they are strictly government fees with respect to cost recovery, making sure that we can still serve Albertans.

**Mr. Kang:** Thank you.

Priority initiative 1.4 in the business plan, page 97, is to collaborate with stakeholders on several initiatives aimed at improving registry services to Albertans through the registry agent network. Can the minister tell us what these initiatives are?

**Mrs. Klimchuk:** Thank you, hon. member. I know that I've spoken about this before in the House. About, I guess, a year and a half ago we did a pilot project with Alberta Health and Wellness that all health care cards would be available in the registry offices across Alberta. We did a pilot of about 13 registries. Moving forward the intent is that all health care cards will be available at all the registries across Alberta, which I think is a huge initiative. The fact is that there was a section of Alberta Health and Wellness that dispensed those. Those offices were closed down a year ago, and now they're moving towards the registries. That's one other area.

I know the meetings that I've had with the registry agents as well as AMA, working together with the partners – they are certainly most interested in having more work, being able to provide more services at their businesses. Part of that is, you know, just thinking of more areas that they can serve in. For example, the other area, as I mentioned earlier, were the ID cards with Housing and Urban Affairs. That has been a huge success, using our ID cards to make sure that the homeless can get those ID cards and working with all of the great not-for-profit groups out there, you know, the missions and shelters all across Alberta. We know there have been some excellent areas. I guess it's working together to do those things. That's what it's about. I know the registry agents are anxious and are looking forward to more work ahead.

**Mr. Kang:** In the 2009-10 annual report it was stated that the performance measure for the ministry contact centre, registry related, was 81 per cent. However, the AG noted in the annual report on page 23 that the annual sample was just 150 respondents, making the result accurate to plus or minus 8 per cent.

Now, the minister is a politician and familiar with polling, so my question is: would she give any credibility to results that are accurate in the range of plus or minus 8 per cent? Does the minister think that this is sufficiently accurate for service in a program with a budget of \$20 million?

7:30

**Mrs. Klimchuk:** Are we talking about the ministry contact centre or the registries? If you could clarify that.

**Mr. Kang:** For the ministry contact centre.

**Mrs. Klimchuk:** The ministry contact centre. Okay. Thank you very much. All right. We know that the results are audited by the office of the Auditor General. We know that there is no issue with the results that you're seeing in that report. I think that essentially any time people are accessing the consumer contact centre on registry-related or registry agent issues – as minister we don't get a lot of complaints in that regard. I know that the service they are providing is phenomenal. That's the beauty of the registries across Alberta. Other provinces do not have anything like that. In parts of the U.S. or in other provinces people sometimes have to line up to get their items, and that doesn't happen. Yeah, there may be times when the registry offices are a bit busier, but overall the service that the registry agents provide is above and beyond.

I know that I've spoken at the AARA's annual general meetings and have regular updates with all of them to make sure that if there are any issues that we need to work on, then we can support them, and they can give us a heads-up as well. So it's a real collaborative relationship that we have.

**Mr. Kang:** Okay. This question is related to the ministry contact centre as well. The performance measure for the ministry contact centre is given as 81 per cent in the most recent annual report, and in the ministry's business plan the result for this performance measure is given as 90 per cent. As I've just indicated, the performance measure for the ministry contact centre is given as 81 per cent in the most recent annual report, page 10. The survey was conducted in the 2009-10 fiscal year. In the ministry's business plan, page 98, the result for this performance measure, also for 2009-10, is given as 90 per cent. Can the minister explain this discrepancy?

**Mrs. Klimchuk:** Thank you, hon. member. Just flipping back to our business plan, the call centre service index measure retained the 80 per cent satisfaction targets of the previous long-standing call centre satisfaction measures. The 90 and 93 per cent last actuals are based on results based on new methodology: instant surveying following call centre interaction. Over time more data points will form a results trend, and the targets will be reset as required. I guess that as performance measures go, we all know there are different ways to collect them, and there are different ways to validate them or invalidate them.

I think what's critical now – one of the new things that the call centres are using is asking for an instant response, that kind of thing. How did this call go? Was it positive or negative? Those kinds of things. That's why the measures that we're doing are changing, but I think they're going to be far more accurate measures when you can get the information right away versus six months down the road. We're updating the performance measures as time goes on.

It's very important to me in this portfolio for all Albertans to know that if they want information, they can get it in person, they can get it on the phone, they can get it online. It's really important that we continue to serve Albertans in all of those areas. That's why when people call our call centre, they may have to wait, but eventually they get to a real voice if they need to hear from a real person.

**Mr. Kang:** Thank you.

My question is coming back to consumer awareness and advocacy. The budget for consumer awareness and advocacy was cut by about \$1 million, or 5 per cent, for 2010-11 and has now increased by 8 per cent for 2011-12. Can the minister explain why the budget for consumer awareness and advocacy is being increased by 8 per cent in 2011-12? Did the 5 per cent cut in funding last year have negative consequences for Albertans? If so, in what areas in particular?

**Mrs. Klimchuk:** Which element are you referring to, please, on which page?

**Mr. Kang:** The budget for consumer awareness and advocacy, that was cut by \$1 million.

**Mrs. Klimchuk:** Line 3.1 on page 276?

**Mr. Kang:** You can respond in writing. I don't have the page.

**Mrs. Klimchuk:** Well, I'll just say a couple of things, hon. member, and then maybe you can ask the question. We're talking about consumer awareness and advocacy. Many of the programs that are in that area are often about promoting, regulating, and enforcing fair market practices through consumer awareness activities such as the administration and enforcement of consumer-related legislation, monitoring the marketplace, investigating fraud and consumer complaints, supporting regulatory bodies that administer consumer legislation. Also, services in the areas of access and privacy legislation support program compliance and accountability, department legislative planning, and support for requests made under the Freedom of Information and Protection of Privacy Act.

The call centre, which I've spoken about quite a bit, is responsible for answering inquiries from Albertans and providing interpretation of the acts and regulations administered by Service Alberta. This information, collected from callers, plays a role in identifying the need for investigations on behalf of Albertans as well as recommended changes to legislation.

Lastly, the residential tenancy dispute resolution services. In that alone we had an increase last year of people accessing that service. It's been a tremendous success for this government to know that people can resolve their issues without having to go to court.

**Mr. Kang:** Thank you.

Coming back to procurement and contracting, goal 3. It includes priority initiative 3.3: "Through the Procurement Reengineering Initiative strategically leverage the Government of Alberta's buying power by standardizing and improving procurement processes." The purpose of this initiative is to capitalize on discounts for government-wide purchases and exclusivity. The complaint with centralizing purchasing and supply is that it eliminates flexibility. I would like to turn to goal 3. First, just to cut through the jargon, can the minister explain what the procurement re-engineering initiative is? Is this what we know as purchasing and supply management, or is it something else? You've talked a bit about it before. The initiative is supposed to strategically leverage buying power.

Can the minister explain what outcomes are expected from this initiative and the timelines for producing results? How will the ministry measure and report progress on the initiative in future business plans and annual reports? Has the minister heard any complaints from ministries that they could make purchases more cheaply and more quickly if they were not required to use Service Alberta's procurement processes?

**Mrs. Klimchuk:** Thank you. With respect to the procurement re-engineering initiative I'm very proud of that. That was something that we worked with Treasury Board on, precisely the kinds of things we're trying to get at in government in looking across all departments to look for savings. One of the things that we looked at was changing the contractor template, making it easier for contractors to do business with the government of Alberta. That means we're making it a much easier process when they want to apply for a contract. All of those now are online, if you want to apply for a contract, what's expected.

7:40

The other area that we've worked hard on is the P-card. The P-card is a card that expenses are put on, that employees have access to. In the past sometimes those P-cards weren't used as much. Now we are encouraging them because of the tremendous cost if an employee does not use a P card; it's \$80 to invoice that, and that's just a huge cost. So what we're moving towards with that

re-engineering initiative is that everything goes on the P-card. There's no more paper, and that goes in other areas.

The other area is cellphones and wireless, looking to make sure that we get the best value for the cellphones and the wireless plans that people are using, employers are using within government and across government. Those are just some of the examples in that area. Part of it is that because we're working with Treasury Board, this is an ongoing work.

We are looking in all sorts of other areas as well. We talked about the area of procurement. I guess essentially we want to make sure that when people do business with the government of Alberta, they can do business and they can access the information and it does not get in their way.

**Mr. Kang:** Well, I think there were two other questions there. Have you heard any complaints from the ministries that they could make purchases more cheaply and more quickly if they were not required to use Service Alberta's procurement processes? How will the ministry measure and report progress on this initiative in future business plans and annual reports?

**Mrs. Klimchuk:** Sorry. My apologies, and thank you for repeating those questions. The main part: we've not had any complaints from any ministries that they feel they're not getting the best value for their dollar. There have not been any complaints.

I guess, how to measure these savings is the dollar savings that we're going to be seeing, that we have, that we see across government when you can institute something for everybody, not just one department. So that's what we're looking for, the savings that are across government that will actually accrue to benefit taxpayers of Alberta.

**Mr. Kang:** Thank you, Madam Minister.

Coming back to information management and technology, the amount budgeted for technology services was \$142 million in 2010-11. The budget was cut from \$148 million to \$117 million, or 21 per cent. This reduced budget is forecast to be overspent by more than 30 per cent, and the two areas that saw the greatest overspending in 2010-11 were technology operations and infrastructure and network services. Can the minister confirm that this is a realistic budget, or can we expect the same overspending in 2011-12?

**Mrs. Klimchuk:** Thank you, hon. member. I guess technology operations and infrastructure – I'm just going to go over what some of that includes. This element manages information and communications technology infrastructure and includes shared services provided to departments of some agencies, boards, and commissions such as mainframe application hosting, desktop support, service desk, hosting legacy applications, supporting servers, and data centre operations. It also includes corporate information security office and ongoing operations of IMAGIS, which is the government's financial payroll and procurement system.

The \$14.6 million decrease between the 2011-12 estimates, \$96.7 million, and the '09-10 actuals, \$110.3 million, is primarily due to the \$8.6 million decrease in salary expenses from the reduction in staff delivering information technology and the \$5.7 million decrease in demand for one-time projects.

The \$14.1 million increase between the 2011-12 estimate of \$95.7 million and the 2010-11 budget, \$81.6 million, is a result of \$7 million to address the increasing costs of providing information technology shared services to government departments and \$6.3 million for increased demand for shared services such as mainframe support and software licences.

In conclusion, the \$8.2 million decrease between the '11-12 estimate of \$95.7 million and a '10-11 forecast of \$103.9 million is primarily a result of a decreased projection of the demand for one-time information technology projects. At any one time in our department there are certain projects that are going on, and that's why you're seeing some of the shifts occurring. It was a one-time project that has finished.

**Mr. Kang:** Thank you.

Last year the minister was quoted in the *Calgary Herald* of February 10, 2010, as saying that many of the 400-plus positions cut by her department were mainly a result of the province's improvements in technology services. Given that the ministry spent more than in the year preceding the cuts and the budget is close to the level it was before the cuts, does the minister still believe that economies were achieved by laying off 23 per cent of Service Alberta employees?

**The Chair:** Excuse me, Mr. Kang. I hate to interrupt, but your time has been allotted.

Now, for the next 20 minutes members from the third party, if any, and the minister may speak. I assume, Mrs. Forsyth, that's you for the next 20 and that you'll indicate if you want to share your time back and forth.

**Mrs. Forsyth:** I think what I'm going to do, if the minister doesn't mind, is ask a bunch of questions and then maybe get her to respond in writing, please. If we run out of questions before our time, then, you know, we'll get the minister to start answering some of the questions. Thank you, Mr. Chair.

Minister, I appreciate your taking the time to take questions on your budget, and I appreciate your taking the time to sit there patiently while we ask some questions and get some written responses. I want to start under goal 1 of your ministry and talk to you about some of your priority initiatives that you've indicated in your budget. The first one is 1.2, and it starts with upgrading the vital statistics registry system to meet the requirements of the planned changes to the Vital Statistics Act. First of all, I'd like to ask you: what does that include? What initiatives are you planning on that? How are you going to be upgrading that system, and I guess, more importantly, what changes are you planning to make?

That leads me to my next question. I know I asked you the question last week in question period about Janet and Jane Doe and the horrific publication of their names after they went through a very lengthy process to have their names protected, and then a couple of days later under your registry it came out. We had all the documentation from Jane Doe and saw your letter of apology. While we appreciate that, we want to see and ask you what you're planning to do. You've said in the Legislature that you've got two people checking it. Well, you had two people checking it previously, when this horrific accident happened. Their names are still in the registry, and they're still accessible. So I'm hoping that you can provide some peace of mind to this family, who again is on the run. It's just a very, very sad case. Maybe you can provide some information for us so that we can provide it to this family because it's very, very difficult to get hold of them. They contact us occasionally, and we now have a contact name so that we can get hold of them through a third party. So I think Jane and her daughter Janet both need to have some peace in their life and get some satisfaction from your department.

The next thing I want to ask you is on 1.4. You talk about collaborating with stakeholders on several initiatives aimed at improving registry services to Albertans through the registry agent network. My question on that is: to do what? What are you col-

laborating with the stakeholders on? What initiatives are you looking at in improving registry services to Albertans?

I quite frankly think that the registries in this province do a fabulous job. One of the things that I wanted to ask you on that was a question I posed to you about a year ago in regard to you looking at registries' expansion into banks, where that initiative is and if that's still something that you're looking at. If you are, I think the registries need the opportunity to hear what you have to say about that because I know that when we were initially contacted on that, they had no idea and were very, very opposed to it.

7:50

I go back to when I was here in '93 and we were doing the privatization of the registries from this government. It was a huge undertaking, like our liquor stores. You go from a model that's always been in the government to what has been done with both the liquor stores and the registries, and I think the service that they provide to Albertans is fairly significant. It's easy; we don't have to stand in line for hours. I'm old enough to remember driving all the way over to get my licence and things like that. If you could please expand on the initiatives that you're working on there.

I want to take you to 1.7, where you talk about collaboration with other ministries, enhancing the programs and services website, which is the one window for online access to services for Albertans. Maybe you can elaborate for us on what that is exactly and what you're looking at, if you wouldn't mind.

I'm going to take you to 2.2 under your Goal 2. You talk about the awareness of the Utilities Consumer Advocate through a campaign highlighting the UCA role in mediation, consumer education, and regulatory representation. My question is: how do you plan on doing that? I've listened intently while you've been talking to the Member for Calgary-McCall. I think you said you had 45,000 calls to the UCA; 2,000 of those were mediation. Yet when we go to your budget, it's one of the things that was cut. I try and rationalize that in my brain. That is a significant amount of calls. That is a significant amount of mediation. How do you try and rationalize all of the calls that you're doing? You want to raise the awareness of the Utilities Consumer Advocate, the UCA. I can guarantee you that if you're starting to raise the awareness of it and you're providing consumer education and you talk about all of the things that you want to do, then you're going to get a significant amount of contacts and calls, and I would suspect you'll probably have twice or three times as many mediation calls. It's difficult for me to understand.

You talked briefly at the very end about standardization to enhance the delivery of cellphones, smart phones, and other mobile communication services across the government of Alberta. I'm assuming you're not only talking about government of Alberta employees, but you're also talking about us as MLAs, that have the opportunity to use cellphones and other mobile communication services. I'm wondering, if you're going to look at that economy of scale and that standardization, how do you do that.

I do a lot of travelling, quite a bit of travelling back and forth, obviously, from Edmonton and Calgary. I can tell you that you hit these blocks when you hit a dead zone. While Rogers may work well for someone in Edmonton or northern Alberta, that doesn't necessarily mean that it's working as well for someone in southern Alberta. How do you figure out, if you're going to go to a one-consumer stop, that that particular cellphone company is going to be good right across the province? I'm sure you can even ask the MLAs in this Assembly. Some of them are Rogers, some of them may be Bell, some of them I'm not even sure. I use Rogers. I find that it works for me. It works for where I am. It keeps me happily

connected to the majority of the people that I have to be connected with.

While I support and appreciate what you're trying to do, you know, you just have to think of some things like that. It's no different than where we're going in technology. We've got our iPhones, and we've got our BlackBerrys. I honestly have trouble most of the time keeping up, and that ages me. You can see a colleague that's quite comfortable with their iPhone, yet I don't need that type of technology for myself. All I want is a phone that I can answer, you know, somebody I can send an e-mail to, Twitter, like they want us to. How do you rationalize what may be good for the goose isn't exactly good for the gander when you want to go into that kind of technology? You obviously want to have some buying power.

In 3.7 you talk about strengthening and solidifying the security of the information the government holds on behalf of Albertans. While that is a statement that I think is strong, I'm having trouble understanding what you mean exactly. Does that come under FOIP? Does that come under the protection of privacy that falls under your ministry, going back to some of the things that vital statistics do? So how do you plan on doing that?

Some of the interesting things that we're hearing, Minister, that I need to ask you directly. Under your budget are you planning on raising fees for starting a charity as we go into a recession? Why are your business fees being raised in a recession, especially considering that Bill 1 from last session talked about the Alberta Competitiveness Act? So you try and rationalize Bill 1 in 2010 under the Premier, his bill, and he talks about being competitive. Where do you feel that your . . .

**The Chair:** Excuse me, Mrs. Forsyth. Your 10 minutes are up, so now the minister may speak.

**Mrs. Klimchuk:** Okay. Excellent. Well, thank you, hon. member, for the questions. I'll just give some answers. First of all, with respect to the Vital Statistics Act I'm talking about upgrading some of those in that area. As you know, some of the pieces of that act are from 30 or 40 years ago. So, again, it's upgrading it with some of the new challenges, some of the new things that we have in our society now. That's certainly one of the areas we're looking at, some of the things that are referred to in the act. I'd be happy to get a little bit more information to you, specifically some of the areas we're working on, and we'll pass that on to you for sure, hon. member.

With respect to the question you asked me in the House with respect to Janet and Jane Doe, again, I appreciate your question and your further comments on this matter. Certainly, it's a very sensitive matter. As I said before the House the other day, because it is a legal matter, we're waiting to hear from the lawyers involved. I'm not prepared to comment on that at this time. I think it's really important that the lawyers that they have in place contact our government. We're waiting to hear from them, and then we can have a better discussion on that once that has gone through.

With respect to the registries some of the things that we're looking at, as you were listening before, are the Alberta health care cards. As you know, we did a pilot with 13 registries across Alberta, and the goal is to put all of the Alberta health cards available in all the registries across Alberta. I totally agree with you on the great work the registry agents are doing and how proud I am to have this model here in Alberta. Yeah, we started in '93, and it's evolving and changing, so you want to make sure that the agents are getting the support they need, and that means with technology and those kinds of things.

Your comments about expansion. I know that last fall or a year and a half ago there was quite a debate on kind of having a big conversation about registries offices across Alberta and some of the challenges that are there. We struck a committee that is right now going on. It's with AMA and some of my great team, my ADM from Service Alberta, are some of the people involved, and they've got a committee right now talking about expansion and looking at trying to come to kind of an agreement with everyone on what to do and what to move forward to clarify the policy on relocation. We know that expansion is an issue, and there are certain parts of Alberta where expansion is absolutely necessary with the population growth that's been going on. I guess what I've been very respectful of in the process is that for the players that are there, making sure that their input is taken into account, so that when expansion or whatever is decided, everyone is on the same page moving forward. That's an excellent discussion that we're having.

**8:00**

Just going on to the 1.7, the one-window approach. We talked about the Service Alberta website, and then we talked about SBAR. I spoke previously about SBAR and what a fantastic tool that is for all Albertans in that you don't have to know the name of the minister or the name of the department. You can go in, figure out what you need. That's really, really critical to me because we know there are a lot of Albertans that need help out there, vulnerable Albertans, and to me, the sooner that we can support them and assist them is the magic that has to happen. That's certainly, with the five ministries, very important.

The one-window approach relates to: when someone comes to the Service Alberta website, they get access to all the departments to figure out what help they need and, as well, access the information by phone, in person, or online, which is absolutely critical to me because, as you know, the whole world does not have a computer, and I'm very aware of that.

The other area. You talked about the consumer area and the 45,000 calls and the 2,000 mediations that we're doing. The budget, actually, that was allocated for this last budget year when you look at the Utilities Consumer Advocate: we had a plan in place with respect to communication, going to all the trade shows and some of the things we're doing, so some of the heavy lifting has gone on with that plan. Now moving into the next part of the budget year, we're going to moving on to some other initiatives. That's why you're seeing a shift in that.

With respect to the standardization of services all across government, I certainly understand your comments about the dead zones and coverage. We'll be moving out with an RFP very shortly with respect to all the service providers there, and one of the areas that's a key component of that is, indeed, coverage. You want to make sure you're getting the best value for employees in government, and that's something that we're looking at as a savings. As well, the thing that I've been kind of tracking is the plans. We've heard these stories where, you know, people don't know if they have a two-year or a three-year plan. If you go to try to renew, no you can't; you've got to wait another year if you renew. So they're very complex. We want to get a handle on the plans to make sure we have a standardization there, and I think that's a huge savings for government. I know it is.

On 3.7, the chief security office. There's a chief security office resident in Service Alberta, and there are chief security officers all across Alberta that work on a day-to-day basis with information technology issues. That's what that's relating to; for example, the firewall that's set up and those things that protect all the information. There's some excellent work going on, the fact that each

department reports to Service Alberta on that so we can stay on top of issues with respect to web people trying to get into some of the websites and into government information.

The last thing I just want to clarify. There's been some misinformation with respect to the fees. The not-for-profit sector will not be impacted by any changes; there's no question. I fought very hard for that with PIPA because I did not believe that our not-for-profits needed to be burdened. I fought the same as well for this, so not-for-profits are not affected by the fee increase as well as registration of commercial vehicles. They will not experience any changes to the fees, so it's really important to clarify that information. I clarified that in question period, but I'm very happy to clarify that. From my background working with the not-for-profits I was involved in before I got elected, I know the hard work our not-for-profit groups do. It's offensive if we overregulate them, and that's something that certainly I don't support.

So just to clarify, the not-for-profit sector is not going to be impacted by changes to corporate registry fees as well as the registration of commercial vehicles. Those are taxis, delivery vehicles, vehicles transporting goods and services on provincial highways. Just to make that very clear, it's about people being able to do their business.

**The Chair:** There are two minutes remaining, so go ahead, Mrs. Forsyth.

**Mrs. Forsyth:** Thank you. Thank you, Minister, for some of those answers because I know I threw you a lot of questions. I'm certainly glad that you clarified that you're not going to have an increase in fees for charities and nonprofits and commercial vehicles. Then I followed up with the question on why business fees are being raised in a recession, especially with the Premier bringing Bill 1 forward and talking about an Alberta Competitiveness Act. You didn't answer that question, so in writing will be fine, please.

One of the other things that we've been asked. Why are the licence fees being raised for veterans and their vehicle plates? As a family that came through, as they call it, army – my dad fought in World War II. I had a son that was in the army for nine years. Why would we be raising, or are you contemplating raising, the fee for veterans and their vehicle plates?

Let's talk a little bit about some other things that have been brought to our attention. You talked about the registries and the 13, I think you said, pilot projects. What are you doing to ward off health care fraud? We're hearing more and more and more about health care fraud, people using someone else's health care card. In this day and age you always have to be three steps ahead of what's happening out there, so if you are going to have health cards, how are the registries dealing with health care fraud?

Mortgage title fraud. The AG flagged 30 potential cases.

**The Chair:** I see 20 minutes has passed now.

We'll have for the next 20 minutes members of the fourth party, if any, and the minister may speak. I assume Mr. Mason.

**Mr. Mason:** I am, Mr. Chairman. Thank you.

**The Chair:** Would you like to go back and forth with the minister?

**Mr. Mason:** Well, I'd like to ask the minister how brief she is. If we go back and forth, you're not going to take 10 minutes to answer each question so I'll only get two questions?

**Mrs. Klimchuk:** So I won't talk as long as you, then?

**Mr. Mason:** That would be a good benchmark.

**Mrs. Klimchuk:** Okay.

**Mr. Mason:** Okay. Good. Thanks very much, Mr. Chair and Madam Minister.

I want to ask, first of all, about the budget for consumer awareness and advocacy. It was cut by almost \$5 million last year, and this year there was only a slight increase. In the budget is a residential tenancy dispute resolution service, which offers landlords and tenants an alternative means of resolving serious disputes outside of court. The service has proven to be faster, more informal, and less expensive than the courts, and I think that's an understatement. The disputes are heard by a tenancy dispute officer, who's authorized to make binding decisions on claims of up to \$25,000 involving tenancy disputes.

The service is currently available in Edmonton, Calgary, and northern Alberta. My question is what the budget is for residential tenancy dispute resolution in 2010-11 and how that compares with last year. I'd also like to know what the impact of these cuts was on the budget. Two years ago the minister reported plans to expand the tenancy dispute resolution service, and I'm curious how that's gone given the reductions overall in the budget. That's my first question, Mr. Chairman. Thanks.

**Mrs. Klimchuk:** Thank you, hon. member. With respect to the residential tenancy dispute resolution, RTDRS, that's something that we've been working very hard on. It's kind of one of those hidden successes in government, so I'm happy that you've raised that. We know that the office is well established in serving Albertans in Calgary and Edmonton. As well, we're doing resolutions by video conferencing. It's still a huge priority of this government. Just to make it very clear, the RTDRS budget for '11-12 is \$2.5 million. Last year it was about \$1.5 million. So we've increased the support for that mainly because of the ask. Way more people have found out about the service and are coming to the service. We know there are situations where the landlord or the tenant will come. Both sides are coming to be mediated.

I think it's a tremendous success because it's taking time out of the court system, and we know that it's a service that we need to provide to Albertans. In some cases there are many vulnerable people showing up to our offices, and oftentimes they might have all of their life's possessions with them. So it's really, really important that we continue to serve, validate these Albertans and support them as best as we can.

**8:10**

**Mr. Mason:** Just a quick supplementary on that. How does it relate to the services provided by landlord and tenant advisory boards? It seems to be an overlap. Does it supersede the landlord and tenant advisory boards?

**Mrs. Klimchuk:** No. And that's a very good question. It does not supersede the landlord and tenant advisory boards. The main purpose of this is to avoid people going to the court system and trying to have a mediator there, to get the landlord and the tenant there and to resolve the matter there. So that's the main purpose. The court days we have saved are phenomenal.

**Mr. Mason:** Okay. I can see that that would be the case.

I want to ask about payday loan legislation. The ministry oversaw new regulations over payday loan companies, and they provided a range of enforcement actions, including suspending or cancelling a lender's licence or prosecuting him in court and fines. It requires the lenders to forfeit any interest or fees owned on a

loan if they don't comply with the regulations. But, of course, the question has to do with the enforcement and the ability of the department to enforce it. I'd like to know what the amount is that the ministry has allotted for enforcement of the regulations. I'd like to know how many times the actions or sanctions against payday loan companies have been used and, you know, how it has been affected by last year's \$5.3 million cut to consumer awareness and advocacy. Is it, in fact, effective, and has it been accessible and effective to the low-income families, who are often preyed upon by some of these lenders?

**Mrs. Klimchuk:** Thank you very much. I didn't expect this question tonight, so this is fantastic. When we passed that regulation under the Fair Trading Act, it became very apparent to me that a lot of the players in the payday loan business, some of the bigger players versus the medium and the smaller players, were all very supportive of the changes we made. We have people inspecting, making sure that things are up on the windows as to what they're charging, the 21 per cent, all of those, no rollovers, the discounting that was going on. I guess part of it, too, is that we've had very, very few complaints of payday loan companies causing problems. I know that our special investigations unit is always aware of what's going on, but I'd be happy to provide some background information to you about the payday loan.

My understanding is that it's gone very well and that we haven't had to more or less go in and shut down or do any of that business because people abided by the rules. Oftentimes the payday loan companies, you know, the ones that I've been into, have brochures on how to open a bank account, how to move forward. We know that most of them are using it for a short-term basis because of a bad credit rating and maybe just, you know, need the money quickly. Most are moving on to the banking system. I can provide you some further information on that, hon. member.

**Mr. Mason:** Thanks very much. I guess, you know, maybe it's just my NDP instincts here, but if the payday loan companies like the changes and there are no prosecutions, then something must be wrong. That would be my kind of sense. Just call me a pessimist; I don't care. But the real question is: what resources do you have to actually enforce this stuff? There's lots of reasons why there might not be cases that you're dealing with. It might be because everything is just great, or it might be because the people who need the help don't have the resources to get it, and the government is not providing the necessary enforcement capacity there. I'd like you to go into a little more detail in terms of what you actually do and what resources – how many staff, how much money – and how that relates to previous years.

**Mrs. Klimchuk:** I know a general kind of figure of the SIU investigations. Over 1,100 investigations conducted for investigation services for Alberta's consumer protection legislation in the past year resulted in 225 charges being laid. Now, that's general. That does not tell you if payday loan folks are in there. But I know that from an enforcement point of view the SIU is very aware, and they're the ones that will go in and look into a situation and see what's happening. Again, your comments to me about: if we haven't heard anything, have we done enough? I'll certainly take that as information, and I'd be happy to get back to you on that.

I just wanted to follow up on something. When you talked about the consumer awareness program and the budget being cut, just to be clear, the budget remains about the same at about \$20 million per year, so it hasn't been cut, as you indicated.

**Mr. Mason:** I think I indicated, Mr. Chairman and Madam Minister, that it was cut last year by about \$5 million and a little bit

added this year, but the cut was last year. I recognize that it's slightly up from last year.

**Mrs. Klimchuk:** Yeah, it is. Thank you.

**Mr. Mason:** Okay. I want to talk about the justification for increases in the fees. I'm sure that this has been canvassed by some of my colleagues already. You've got an increase budgeted for this ministry of nearly a hundred million dollars from the rising costs of land titles, licences, and other user fees. They've been static since 2002, according to the research we've done. Of course, the conclusion that a lot of people have come to is that this is a revenue grab. The Premier has committed the government to no new taxes, but you know I've heard those kind of commitments in the past, not just by your government but by others, and it usually means increases in user fees or other ways of increasing the revenues since no new taxes usually puts the government behind the eight ball.

Where does the money from this go? Does it go to support the operations of these departments? Does it flow into general revenue? How much of it goes into general revenue, and how much of it goes to the private companies that now provide these services? I know that the hon. Member for Calgary-Fish Creek talked about remembering the long lines for licence registries and so on, and I do, too, but I also remember when it was affordable. The costs that we see now are higher.

It brings me to a second point, and that is the security arrangements, particularly around drivers' licences and vehicle registrations. I know we've adopted one of the most sophisticated methodologies for drivers' licences, and in my opinion that is because it's the only way you can guarantee any degree of security in these privatized licensing things because it's not under your control. It's a bunch of little mom-and-pop shops set up in little shopping centres and little office buildings all around the province, so security is a real challenge.

Of course, I was here when there were some significant thefts of materials used to make drivers' licences. I remember that we asked the minister at the time about that, this break-in that took a bunch of the materials used to make licence plates. He stood up and answered in question period: oh, don't worry because that's only half of the stuff, and it's no good without this other stuff, which, by the way, we keep at such and such a place. Two weeks later they broke in there and got the second half, right? It made great fodder for our Christmas video that year.

**8:20**

The point is that because you privatized it, you do not have the control that you should have over this material and, particularly – here's my concern – the information of people. If you could respond to that. How much more do we charge for vehicle registrations and some of these things: land titles, licences, other fees, and so on? How does what we charge people compare to other provinces? That would be, I think, an interesting question. Thank you.

**Mrs. Klimchuk:** Okay. Thank you. I'll start. If I've forgotten something, remind me after. Just a couple of things first. We talked about the fee increases and some of those things that have gone up. Just to make it clear, the fee increases will go into the general revenue fund, and those go to fund programs across government. It goes into the general revenue fund, not into my coffers.

I should mention, too, on the fee increases. Looking at this, we've not had a fee increase since 2002, as you're aware. Part of it is cost recovery. I guess the danger point is that eventually if we don't do something now, we're going to be in an even tougher position a few years from now. So the cost recovery, to make sure that we did that. We know that the cost for all motor vehicle prod-

ucts has increased by 109 per cent, the cost to provide all land title services has increased by 71 per cent, and the cost to support the registry information systems has increased by about 164 per cent.

We know that security in drivers' licences and registries is absolutely critical. Part of the support that we provide through the department is that we have a system in place, the MOVES system. All registry agents have a card now when they do a transaction. It means that you can track mistakes. You can track patterns if things are going on. It's been a really effective tool. Initially, when the tool was first brought out, a lot of the agents were very upset with this. Some were, I should say. We said: no, it's about helping you and helping you with employees to learn the system, and it helps you to track a situation sooner than later. I'm very proud of that, and that certainly is working with the special investigations unit as well on a regular basis.

I know the first day that I became minister, on March 13, 2008, a registry agent in Smoky Lake had to be closed down. Since that, we've been very diligent to make sure that the registry agents are working with material that's secure and that Albertans know when they go to get their drivers' licences that it's a secure procedure.

The other area that you mentioned, just going back to the fee issue. I guess since 2002-03 the entire suite of registration fees in Alberta and the other nine provinces has changed at least once and in many cases four times. However, we did look across the other provinces, and we are in the middle or below in terms of our fees, and that was very important. I'll give an example. The fee increase for an operator licence over the last five years has ranged from 0 per cent to over 110 per cent in other provinces. In comparison the increase in Alberta was 36 per cent, and the updated fee of \$75 is still below the national average by approximately 20 per cent. So taking that into account, it was really important that we kind of have the balance with the fees. That's what we did.

The other comment is that eight other provinces have increased their fees at least once since 2002. In some jurisdictions it's three and four times in the same period. I know that with the previous member we talked about the fees that have been increased, and again I'm going to reiterate that this does not affect not-for-profit or the registration of commercial vehicles. Certainly, the fee increases that have come forward: we've kept them in line with what's happening across Canada with a place on the Eurig decision, but making sure that it is real and valid for Albertans.

**Mr. Mason:** Thanks, Mr. Chairman, and thanks to the minister. I just have a few follow-ups on that. Some of the data you gave us has to do with percentage increases relative to other provinces, but I wonder if the minister can provide later in writing an across-the-board table of the new fees in Alberta compared to what they are in other provinces.

I have no idea why there has been no increase since 2002, but it always strikes me that it's better to have small inflationary increases than to wait a long time and have a huge jump in fees. I think there's a lot of sticker shock for people with what's going on, and I think if cost recovery is actually the basis, then that should be applied on an annual basis and not every nine or 10 years.

The minister did say that this is based on cost recovery, but still a huge amount of money is going into general revenues to pay for all sorts of programs in other departments. That really doesn't sound like cost recovery to me; that sounds like this is a major revenue source. I'd like to know what the actual cost recovery would be. If these licences and land titles and so on were operated on a break-even basis and the fees were set in order to provide just the amount of revenue necessary to provide that service, what would the fees be? If the minister could provide that for me in writing, I would very much appreciate it.

I had a question about overspending. Last year the budget was overspent by \$36 million, and some parts were double that. Technology services in 2010 had budgeted for \$117 million, but the forecast suggests the government will be spending over \$152 million, thereby overspending by \$35 million. To compensate, this government then increased its previously cut budget by \$25 million.

We see a lot of this, not just in this department, Mr. Chairman. We see a lot of, you know, reductions in budgets when the budgets are put through and then additional supplementary spending in order to get it back up to where it probably should have been in the first place. This is an interesting thing.

Network services saw specifically an increase of over \$12 million, up to \$20 million, which more than doubles the previous budget of only \$8 million. They were also over budget last year by more than double. Again and again we see examples of this overspending, and I would like an explanation on that from the minister.

I guess that'll have to be in writing.

**The Chair:** Thank you, Mr. Mason. Your 20-minute time period is up.

For the next 20 minutes members of any other party represented in the Assembly and any independent members and the minister may speak.

Seeing none that fit that category, next any member may speak. Are there any other members wishing to speak? Mr. Rogers.

**Mr. Rogers:** Well, thank you, Mr. Chairman. Madam Minister, I want to thank you and your team for the job that you're doing explaining your estimates. I just have one area that I'd like to focus on, and that is the Utilities Consumer Advocate. The UCA is responsible for representing the interests of residential, farm, and small business consumers of electricity and gas in Alberta, of course a lot of people and places that I represent. I understand that on an ongoing basis the UCA is contacted by roughly 250 consumers a day. With that, Madam Minister, I'm looking at goal 2.2 of your business plan, and it refers to raising Albertans' awareness of the UCA through a campaign highlighting its role. I'm wondering if you might just elaborate a little bit for us on what that campaign entails and what its costs will be.

Can we go back and forth, Mr. Chairman? Thank you. I'll ask that, and then I'll have a couple of follow-up questions.

**Mrs. Klimchuk:** Thank you, hon. member. Excellent to have questions on the Utilities Consumer Advocate. This past year the Utilities Consumer Advocate had a consumer awareness campaign, and it was at a cost of about \$800,000. It's going to be moving into a little bit of this year as well. That included attending various trade shows around the province, distributing informational material, some television ads, speaking engagements, and interviews such as publishing – there are a couple of energy newspapers; they're publications that we publish in and give the information out – and then looking at the results of all the individuals that phone in. It's really important that consumers be aware of what the Utilities Consumer Advocate is and what they can offer.

**8:30**

**Mr. Rogers:** Thank you for that answer, Madam Minister. If I just may go a little further, then, when we look at the estimates for Service Alberta, we actually show a budget decrease for the UCA for the 2010-11 forecast. My question is: with the awareness campaign that, of course, you're embarking on, can you assure us that the UCA will be sufficiently funded to handle the potential in-



crease in contact? If you're successful in getting this message out to Albertans, is the UCA, then, prepared, by virtue of the budget that they've got, to deal with this – I wouldn't call it an onslaught – obviously increased traffic, for lack of a better term?

**Mrs. Klimchuk:** Thank you very much. You are indeed correct. The estimate is lower because certain costs with launching the awareness campaign will not be continuing in this year or next year. These costs include the one-time cost to implement the new UCA brand, to improve the website, and to create television ads.

Currently the consumer mediation area is fully staffed, and they're able to handle, we suspect, probably a moderate increase in call volumes. I've had the privilege of sitting there and listening to the staff take the calls and talk to Albertans. It's just wonderful, when we get the calls in, to know that people have access to the information and can find out on the website as well as hearing a voice on the phone.

**Mr. Rogers:** Thank you again for that answer.

Further, on page 276 of the estimates, Madam Minister, under consumer services it's showing \$21 million allocated for consumer awareness and advocacy. It's a significant number. Again, I'm wondering if you might just elaborate on what is intended and what you hope some of those results might be. I'm assuming this is a way of getting more of that message out to Albertans.

**Mrs. Klimchuk:** These specific programs are aimed at, firstly, promoting and regulating and enforcing fair-market practices through consumer awareness activities, administration and enforcement of consumer-related legislation, monitoring the marketplace, investigating fraud and consumer complaints, and supporting regulatory bodies that administer consumer legislation. As well, within this is the operation of the residential tenancy dispute resolution service and the 310 GOA call centre as well.

**Mr. Rogers:** Thank you again.

Maybe just to follow up on that, then, how do you measure the effectiveness of your consumer awareness strategy? What can you point to? What do you expect to see in terms of something that will tell us and tell Albertans that you're being successful in what is, I would suggest, a very ambitious program?

**Mrs. Klimchuk:** Thank you. I know the Member for Calgary-McCall had a similar question, so I'll just reiterate some of the great things that we're doing. I guess that, to me, the effectiveness of awareness of advocacy you can measure by the consumer calls, complaints, and the visits to the website. We know that 255,000 calls were taken by Service Alberta's consumer contact centre in the last year. We had 300,000 hits on the UCA website.

As well, we have accepted over 25,000 applications through residential tenancy dispute resolution requesting mediation services since its inception in 2006.

We had about 1,100 investigations conducted by investigation services for Alberta's consumer protection, resulting in 225 charges being laid.

Also, surveys conducted immediately with respect to performance measures: I spoke about performance measures previously, that when someone calls the contact centre, they'd be able to respond right away to what kind of service they had received.

Finally, about 45,000 calls were made to the UCA this fiscal year to date. Of the calls to the UCA, over 2,000 required mediation by the UCA office to work with utility companies and consumers to resolve disputes. As I mentioned previously, you know, if someone is contemplating a change, if their gas or electricity agreement has run out, oftentimes they'll call us for

information, and we can provide them with what everyone is offering in the services. That's very helpful so that the consumer can make the best decision for their needs.

**Mr. Rogers:** Thank you.

Just one follow-up question, Madam Minister. You mentioned 45,000 calls. Is that typical? Is that what we see in a typical year?

**Mrs. Klimchuk:** You know, that's a great question. As more people find out about the call centre, it's increasing at about 100 per cent. That means that Albertans are looking for information, and we're very happy to provide that information. That's why the beauty of this is that whether it's on the website or the calls or that kind of thing, it means that we're doing great work, and it also means that consumers are asking better questions and researching their alternatives rather than just saying: okay; I'll just sign this agreement. I'm happy to say that I believe that consumers are asking tougher questions, and when they come to the government to get some advice, I think that's fantastic.

**Mr. Rogers:** Thank you.

Mr. Chairman, that's the end of my questions.

**The Chair:** Thank you.

Next on the speaker list is Mr. Mason.

**Mr. Mason:** Thank you very much, and I'd like to thank the hon. Member for Leduc-Beaumont-Devon for tweaking my curiosity and making me realize I completely forgot the Utilities Consumer Advocate, one of my favourite things.

I recollect that the Utilities Consumer Advocate is funded by private industry, and I wonder what the reason is for that and what impact it has in terms of the mandate or the operations of that office, whether or not utility companies get anything for the money or just put up the money cheerfully.

**Mrs. Klimchuk:** The Utilities Consumer Advocate is unique in the way it is funded, indeed. It is funded from the electrical system's Balancing Pool, 80 percent, and from the three provincial natural gas distributors, 20 per cent. That's used to fund the operations of the Utilities Consumer Advocate, which represents the interests of residential, farm, and small-business consumers of electricity and natural gas. Funding is based on the actual amount expended during the year, and that's why you'll see on a year-to-year basis that it's going to be changing and that it varies with what's being asked for.

**Mr. Mason:** The Utilities Consumer Advocate reports directly to you or through an official in your department or to anyone else?

**Mrs. Klimchuk:** The Utilities Consumer Advocate is an advisory group, and they report to the assistant deputy minister. Of course, we do have a Utilities Consumer Advocate in place by the name of Karin Gashus. She is the advocate. It's reporting to the ADM and then ultimately up to the minister.

**Mr. Mason:** What's the makeup? Is it a little committee or a little board that directs the office? What's the makeup of that?

**Mrs. Klimchuk:** The beauty of the Utilities Consumer Advocate is that many of the members are appointed by different organizations: the Federation of Alberta Gas Co-ops, the AUMA, the AAMD and C. We have representatives from Edmonton, from Calgary, rural, urban, so it's a very diverse group of people. The organization appoints people whom they think would benefit them well, and as the minister I do appoint some of the people as well,

but the balance comes from those groups appointing the people that would best represent their interests on the UCA.

**Mr. Mason:** Okay. Thanks very much.

I want to sort of go on to another piece that would be covered by the Utilities Consumer Advocate but certainly an important part of your department. You know, we've got this strange situation, strange to me, where we're buying the same methane molecules or we're buying the same electrons – that's all the same – but we're buying them from different people who have bought them from someone else, and then they're going to mark it up and so on. It seems a really funny way to do things, but, you know, that's the policy. So the question I have is: when people sign contracts and they're not to their advantage, why don't we let them break the contracts if they're not in the interest of the consumer? Suppose they've been talked into it or they don't fully understand the market, as many people don't. Why don't we give them, for example, an annual window to get out of contracts that they don't like or simply give people the opportunity to switch service providers at any time they want?

8:40

**Mrs. Klimchuk:** Thank you very much, hon. member. It's really apparent to me – I've heard of a couple of incidences – especially with the price of natural gas being so low. We know that there are some contractors going out and trying to sell it at much higher per gigajoule than what it's down there. So that's when it really important for the consumer to ask the questions. I know that all consumers have 10 days to withdraw from the contract, no questions asked. That's their right. Oftentimes they'll call the UCA. We'll get involved, and that's a very clean process. No issues there.

A lot of the electricity and gas providers have their own exit clauses. Many give up to 30 days, which is great. Ultimately, if there's a situation, we encourage Albertans to contact us so that we can help them and act as a mediator with a gas or electricity company. What we're finding and what we're hearing, especially with natural gas because it's so low, is that people now are realizing that if you go back as a consumer to the gas company and say, "Hey, I think I should be paying less," there's a good chance the company will say, "Yeah, no problem; we'll do it for you." But it's the consumer that has to do that – right? – not the company.

Again, it's incumbent upon the consumer to do the research, to talk to their friends and family and figure out what they're getting into, if you're going to lock in for a few years or just go on the month-to-month kind of thing. We know that's where the UCA plays an excellent role in working with consumers to get them through kind of the quagmire and some of the questions that have to be asked.

**Mr. Mason:** Thanks very much, Mr. Chairman. I'm glad the minister used the term quagmire because, you know, ordinary consumers are not hedge fund managers. They don't have the experience of, you know: should I lock in, or should I do this? It's complicated, and most people don't have the skills, the knowledge, or the experience in order to do this. This is the basic flaw, in my view, of this entire system, the idea that the consumers have to do the research and they have to know, when I don't think they should have to do that at all.

I think it's absurd that individual consumers have to do a bunch of research to get the lowest price on gas. They should get the lowest price on gas, and the system should make sure that they get the lowest price on gas and electricity. That's the system we had when retailers were able to get a fixed return on investment, and

they had to justify their costs. That's my little plug for getting rid of this deregulated system because I don't think it works for a large percentage of people who either don't have the education, or they're seniors, or they've just got lots to do, you know. And if they can't get it right, then according to the logic of the system it's their own fault. It's a philosophical difference, perhaps, but I completely reject that model as being a valid model for the provision of essential services like natural gas and electricity.

I want to switch, though, to another question, and that is gas shut-offs in winter. Now, there are rules against shutting off electricity in the winter, but I recently did an interview with the *Calgary Herald* about an individual who froze to death in his own home – he had multiple problems and so on – a couple of years ago in Calgary. My question is: if you can't shut off someone's power in the winter, why the heck can you shut off their gas? Will the minister bring forward a regulation to prevent gas companies from shutting people off in the winter?

**Mrs. Klimchuk:** Well, thank you, hon. member. Before I address that question, I just want to mention that previously I spoke about the Utilities Consumer Advocate working on plain language for gas and utility bills. That's a project that they're working on right now as we speak. I think that's a tremendous tool to work on. We know that all of the companies are at the table working on that to try to make some sense of those bills. So I just wanted to pass that on.

With respect to the issue of gas shut-offs and electricity as well I'm very aware of the article that was in the *Herald*. I know that the fatality inquiry that has gone on has still not been concluded – we haven't had the final report on it yet – and is something that I'm very much looking forward to with the unfortunate situation that did happen. I know that the Utilities Consumer Advocate made a number of different suggestions with respect to the whole area. For example, one little thing is having a phone number on the bottom of the bill so that there's a phone number to contact, that kind of thing, on the bill. I want to await the outcome of the fatality inquiry before I make any suggestions with respect to making any changes to legislation or regulations.

As well, too, it's a couple of ministries that are involved. It's the Department of Energy as well as Service Alberta. With respect to that I look forward to the result of the fatality inquiry, and I hope that's coming very soon.

**Mr. Mason:** Thanks very much, Mr. Chairman. Well, you know, I guess we can wait for the fatality inquiry. But I just want to urge the minister to act on this. You know, I don't think that people's gas should be turned off in this climate. It shouldn't be allowed. They shouldn't have to find a phone number, and they shouldn't have to go through a bunch of bureaucratic hoops or call an advocate or call their MLA or anything. I mean, they just shouldn't have their gas cut off in the wintertime in this climate. So I'd urge the minister, when she does get that report, to act on that because I think it's a major lapse in our regulatory environment right now.

Those are all my questions. Thanks.

**The Chair:** Thank you, Mr. Mason.

Are there any other members wishing to speak?

Seeing none, pursuant to Government Motion 5 the estimates of the Department of Service Alberta are deemed to have been considered for the time allocated in the schedule.

I would like to remind committee members that we are scheduled to meet next on March 21, 2011, to consider the estimates of the Department of Treasury Board.

Thank you, everyone. This meeting is adjourned.

[The committee adjourned at 8:47 p.m.]



