



Legislative Assembly of Alberta

The 29th Legislature
Second Session

Standing Committee
on
Resource Stewardship

Ministry of Municipal Affairs
Consideration of Main Estimates

Monday, May 16, 2016
7 p.m.

Transcript No. 29-2-6

**Legislative Assembly of Alberta
The 29th Legislature
Second Session**

Standing Committee on Resource Stewardship

Loyola, Rod, Edmonton-Ellerslie (ND), Chair
Loewen, Todd, Grande Prairie-Smoky (W), Deputy Chair

Aheer, Leela Sharon, Chestermere-Rocky View (W)
Babcock, Erin D., Stony Plain (ND)
Clark, Greg, Calgary-Elbow (AP)
Dang, Thomas, Edmonton-South West (ND)
Drysdale, Wayne, Grande Prairie-Wapiti (PC)
Hanson, David B., Lac La Biche-St. Paul-Two Hills (W)
Kazim, Anam, Calgary-Glenmore (ND)
Kleinsteuber, Jamie, Calgary-Northern Hills (ND)
MacIntyre, Donald, Innisfail-Sylvan Lake (W)
Malkinson, Brian, Calgary-Currie (ND)
Nielsen, Christian E., Edmonton-Decore (ND)
Rosendahl, Eric, West Yellowhead (ND)
Woollard, Denise, Edmonton-Mill Creek (ND)

Also in Attendance

McIver, Ric, Calgary-Hays (PC)
Stier, Pat, Livingstone-Macleod (W)

Support Staff

Robert H. Reynolds, QC	Clerk
Shannon Dean	Senior Parliamentary Counsel/ Director of House Services
Philip Massolin	Manager of Research Services
Stephanie LeBlanc	Legal Research Officer
Sarah Amato	Research Officer
Nancy Robert	Research Officer
Corinne Dacyshyn	Committee Clerk
Jody Rempel	Committee Clerk
Aaron Roth	Committee Clerk
Karen Sawchuk	Committee Clerk
Rhonda Sorensen	Manager of Corporate Communications and Broadcast Services
Jeanette Dotimas	Communications Consultant
Tracey Sales	Communications Consultant
Janet Schwegel	Managing Editor of <i>Alberta Hansard</i>

Standing Committee on Resource Stewardship

Participants

Ministry of Municipal Affairs

Hon. Danielle Larivee, Minister

Bruce McDonald, Assistant Deputy Minister, Public Safety

Municipal Government Board

Mike d'Alquen, Acting Chair and Board Solicitor

Alberta Emergency Management Agency

Dave Galea, Executive Director, Policy and Training

7 p.m.

Monday, May 16, 2016

[Loyola in the chair]

**Ministry of Municipal Affairs
Consideration of Main Estimates**

The Chair: I'd like to call the meeting to order and welcome everyone. The committee has under consideration the estimates of the Ministry of Municipal Affairs for the fiscal year ending March 31, 2017.

I'd ask that we go around the table and have all MLAs introduce themselves for the record. Minister, when we get to you, please introduce the staff that are joining you at the table. I am Rod Loyola, MLA for Edmonton-Ellerslie and chair of this committee. We'll proceed over here to my right.

Mr. Loewen: Todd Loewen, MLA, Grande Prairie-Smoky.

Mrs. Aheer: Leela Sharon Aheer, Chestermere-Rocky View.

Mr. Hanson: Dave Hanson, Lac La Biche-St. Paul-Two Hills.

Mr. Stier: Pat Stier, MLA, Livingstone-Macleod. To my right is my assistant, Andrew Koning.

Mr. Drysdale: Wayne Drysdale, MLA, Grande Prairie-Wapiti.

Mr. McIver: Ric McIver, Calgary-Hays.

Mr. Clark: Good evening. Greg Clark, Calgary-Elbow.

Ms Larivee: To my left is Brad Pickering, my Deputy Minister of Municipal Affairs; to my right Anthony Lemphers, assistant deputy minister of corporate and strategic services; and to his right Dan Balderston, senior financial officer.

Mr. Dang: Thomas Dang, Edmonton-South West.

Ms Babcock: Erin Babcock, Stony Plain.

Mr. Kleinsteuber: Jamie Kleinsteuber, Calgary-Northern Hills.

Ms Woollard: Denise Woollard, Edmonton-Mill Creek.

Mr. Rosendahl: Eric Rosendahl, MLA, West Yellowhead.

Ms Kazim: Anam Kazim, MLA, Calgary-Glenmore.

Mr. Malkinson: Brian Malkinson, MLA for Calgary-Currie.

Mr. Nielsen: Chris Nielsen, MLA, Edmonton-Decore.

The Chair: Please note that the microphones are operated by *Hansard*, and we'd ask that BlackBerrys, iPhones, et cetera, be turned off or set to silent or vibrate and not placed on the table as they may interfere with the audiofeed. Due to increased attendance at today's meeting the proceedings are also being video projected to a second meeting room.

Hon. members, the standing orders set out the process for consideration of the main estimates. Before we proceed with consideration of the main estimates for the Ministry of Municipal Affairs, I would like to review briefly the standing orders governing the speaking rotation. As provided for in Standing Order 59.01(6), the rotation is as follows. The minister or the member of Executive Council acting on the minister's behalf may make opening comments not to exceed 10 minutes. For the hour that follows, members of the Official Opposition and the minister may speak.

For the next 20 minutes the members of the third party, if any, and the minister may speak. For the next 20 minutes the members of any other party represented in the Assembly or any independent members and the minister may speak. For the next 20 minutes private members of the government caucus and the minister may speak. For the time remaining, we will follow the same rotation just outlined to the extent possible; however, the speaking times are reduced to five minutes as set out in Standing Order 59.02(1)(c).

Members may speak more than once; however, speaking times for the first rotation are limited to 10 minutes at any one time. A minister and a member may combine their time for a total of 20 minutes. For the final rotation, with speaking times of five minutes, once again a minister and a member may combine their speaking time for a maximum total of 10 minutes. Discussion should flow through the chair at all times regardless of whether or not speaking time is combined. Members are asked to advise the chair at the beginning of their speech if they wish to combine their time with the minister's time.

If members have any questions regarding speaking times or the rotation, please feel free to send a note or speak directly with either me, the chair, or the committee clerk about the process.

Three hours have been scheduled to consider the estimates of the Ministry of Municipal Affairs. With the concurrence of the committee I will call a five-minute break near the midpoint of the meeting; however, the three-hour clock will continue to run. Does anyone oppose having a break? Hearing none, we will have a break at the midpoint.

Committee members, ministers, and other members who are not committee members may participate; however, only a committee member or an official substitute for a committee member may introduce an amendment during a committee's review of the estimates.

Ministry officials may be present, and at the direction of the minister officials from the ministry may address the committee. Ministry staff seated in the gallery, if called upon, have access to a microphone in the gallery area. I would just add that if you do come up to the microphone, please state your name and position. Members' staff may be present and, space permitting, may sit at the table or behind their members along the committee room wall. Members have priority for seating at the table at all times.

If debate is exhausted prior to three hours, the ministry's estimates are deemed to have been considered for the time allotted in the schedule, and we will adjourn. Otherwise, we will adjourn at 10 p.m.

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

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

Again I will remind all meeting participants to address their questions and responses through the chair and not directly to each other.

The vote on the estimates is deferred until consideration of all ministry estimates has concluded and will occur in Committee of Supply on May 17, 2016.

If there are amendments, 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 deferred until Committee of Supply convenes on May 17, 2016. Amendments must be in writing and approved by Parliamentary Counsel prior to the meeting at which they are to be moved. Twenty copies of

amendments must be provided at the meeting for committee members and staff.

I will now invite the Minister of Municipal Affairs to begin with her opening remarks.

Ms Larivee: Thank you, Mr. Chair. Prior to beginning my prepared remarks, I just wanted to say that I am committed to giving all the members present the allotted time to ask questions that they may potentially have regarding the Municipal Affairs budget. Given the seriousness of the current wildfire situation I would ask the members that if they have completed asking all their questions and feel that they do not require any additional time, they please let you know, Mr. Chair. My priority right now is responding to the wildfire and the Albertans that it affects, and I appreciate your understanding of that. For those who are not aware, the fire has exhibited unpredictable behaviour yet again and at this point is a potential threat to the city of Fort McMurray, so that is the context with which those remarks are made.

With that, I will go into my prepared remarks, at which point I will answer your questions when I'm done.

Thank you, Mr. Chair. I'm here tonight to present my ministry's 2016-19 business plan and highlights of the Municipal Affairs 2016-17 estimates. I previously introduced my senior officials: Brad Pickering, my Deputy Minister of Municipal Affairs; Anthony Lemphers, assistant deputy minister of corporate and strategic services; and Dan Balderston, senior financial officer. Also here today are staff members from my office and department who can help answer the questions of members present.

Our business plan supports the ministry's mission of ensuring municipalities have the tools and resources they need to build strong communities for Alberta families. We continue to make investments in local infrastructure, public libraries, disaster recovery, and more. However, it's important to recognize that direct funding to municipalities is just one way we contribute to strong municipalities. We work alongside municipal leaders to help them provide well-managed, collaborative, and accountable local governance. We do this through advisory services and mediation as well as improved legislation. We know municipalities need robust, forward-looking legislation in order to meet the evolving needs of their communities.

Our government is following through on its commitment to modernize the Municipal Government Act. The focus of the new MGA is on working together, growing together, and making our province better together. I am proud to be introducing the updated MGA at the end of this month and look forward to gathering more feedback from Albertans after the bill is introduced. Modernizing municipal legislation is one of my ministry's main priorities.

Another is helping Albertans prepare for, respond to, and recover from emergencies and disasters such as the one we are now experiencing. Mr. Chair, there has been no greater reminder of the need for this than the devastation that has affected Alberta this month. Eighty thousand people were forced to flee their homes as an ocean of fire destroyed 2,400 structures in Fort McMurray. Since the start an incredibly dedicated team of Municipal Affairs staff has worked around the clock to ensure emergency responders, municipal administration, and the people of Fort McMurray have the help they need. They will continue to do this today, tomorrow, and in the weeks and months to come as we protect and rebuild this resilient region.

Those are just two of the many priorities my ministry is investing in with our consolidated budget of \$1.8 billion. We continue to demonstrate our commitment to maintaining programs and services and to supporting key infrastructure programs. However, due to the current fiscal reality we simply

could not continue with the commitment we made last year to increase the municipal sustainability initiative, or MSI, by \$50 million. The continued slide in the price of oil last year and the resulting shock to our budget meant that we have \$2.4 billion less than we forecasted in October.

Albertans have told us that their priorities are controlling spending while ensuring every tax dollar is spent wisely, creating jobs, and fostering economic diversification. Knowing this, we could just not continue with the increase to MSI from last fall. The Alberta community partnership will also be reduced by \$20 million due to the reduction in government revenue. Despite this reduction I want to make very clear that we remain committed to supporting regional initiatives for municipalities.

7:10

There are several program streams under the ACP, and although funding will be reduced in some of these, the ACP will continue to support municipalities to resolve conflicts with neighbours, build capacity through municipal internships, and to find more efficient and effective ways to deliver regional services.

Grants in place of taxes will be about \$8 million less than in 2015-16 but will not impact our payments to municipalities. We are, however, controlling our own costs with a 2 per cent cut to services and supplies, which amounts to approximately \$2 million for Municipal Affairs.

Before I provide an overview of how Budget 2016 is being used to build strong, sustainable communities, I would like to draw your attention to a \$600,000 increase in the estimates. We value the important role that public libraries play in strengthening our communities. The 2016-17 budget recognizes this with more than \$36 million to support public library service across the province. The rest of Municipal Affairs' budget remains unchanged from last year's budget.

I will now go into more detail on specific programs. The MSI program is used to strengthen the municipal sector and provide funding to support priority infrastructure projects. MSI operating remains unchanged at \$30 million, and the basic municipal transportation grant increased by \$10 million, to over \$359 million. As I previously said, we could not continue with the \$50 million increase to MSI from last fall given the current economic conditions and supports for municipalities across departments throughout the budget. I'll note that the total direct funding by our government to municipalities is \$2.2 billion, and they are receiving significant infrastructure support.

A key pillar of the Alberta jobs plan and Budget 2016 is continuing our ambitious investment in the modern, efficient infrastructure that Albertans need. Our government will spend \$34.8 billion on infrastructure projects over five years to help stimulate the economy, keep people working, and upgrade or expand existing infrastructure.

Our government is also moving forward with the climate leadership plan, which will target investments into transit and green infrastructure, that will assist municipalities and all Albertans in reducing greenhouse gas emissions while growing our economy.

We know that infrastructure is key to commerce, so we will continue to support municipal infrastructure to keep Alberta moving and commerce flowing.

Our government recognizes the importance of stable, long-term, predictable funding for communities right across Alberta. The MSI funding agreements are set to expire in the next 12 months, and we are already having conversations with our municipal partners about working together on a new agreement. I'm looking forward to having more conversations, working with our municipal partners, and continuing to provide strong support for municipalities.

I'll take a moment now to explain grants in place of taxes this year. Historically these grants included both municipal property tax and education property tax portions. As of 2016-17 we will no longer pay the education property tax on grants in place of taxes for properties, which amounts to about \$13 million. The previous process on these grants involved the provincial government paying the education property tax portion and then your municipality paying that portion back to the province for education. So grants in place of taxes, in terms of what the municipality gets, have not changed.

Something else that hasn't changed is our strong support for libraries. Libraries are much more than just their books. They are integral community spaces, and our government knows the important role they play in enhancing the lives of Albertans and building communities. That's why in Budget 2015 our government added \$3.5 million to the annual operating grant budget and why in 2016 we maintained this funding despite challenging economic times. This means that over \$30 million will go directly to municipal and regional library boards this year from our government.

We are also happy to continue to provide more than \$4 million to support initiatives such as SuperNet access, interlibrary loan delivery, and resource sharing with Alberta-wide borrowing.

In addition to all this, we are providing about \$0.6 million in extra funding to ensure that all indigenous people have equitable access to our province's public libraries. Previously, First Nations people who lived on reserves or Métis people who lived on Métis settlements had to pay nonresident fees for library membership in a nearby community. We are ensuring equitable, inclusive access to library services in our province by covering the costs. This initiative aligns with our government's efforts to support the principles and objectives of the United Nations declaration on the rights of indigenous peoples.

This month we saw the work of true heroes: the firefighters who struggled to contain the fire in Fort McMurray and worked so hard to save as much of the city as they could; the police officers; the health professionals; the DND flyers and personnel; the municipal administration, led by Mayor Melissa Blake; the many municipalities across Alberta who welcomed evacuees; and so many more. Behind the scenes the Alberta Emergency Management Agency was supporting them all.

This year the AEMA's voted budget is \$17.3 million. Separate from this we have budgeted \$18 million related to the 2013 Alberta flooding for the final year of the High River long-term recovery plan. There were many lessons learned from the 2013 floods, and our government has made great progress building an efficient and effective disaster recovery program. We are moving forward to ensure Albertans have the help they need when they need it.

Thank you.

The Chair: Thank you very much, Minister.

We'll now move on to the members of the Official Opposition. Would you like me to set alarms at 20-minute intervals?

Mr. Stier: No. That's fine. If we could, Mr. Chair, I'd prefer we go for the whole extent and back and forth if it's okay with the minister, please.

The Chair: Sure. Please proceed.

Mr. Stier: If that's okay, Minister. Yeah? Thank you.

Okay. Well, good evening, everyone. Thank you so much, Minister, to you and all of your staff, for being here today. I know it's been quite a challenge the past few weeks. I just want to say that it's great also to see a lot of familiar faces from the department. I

appreciate you taking the time from what you've been dealing with to come tonight and all the work that your department has been doing, particularly with what's been transpiring in northern Alberta. It's just been unbelievable, and the amount of damage and destruction caused by these fires is unbelievable. My heart goes out to all of you and your staff and all the front-line workers and all the people that I've gotten to know throughout the years when some of these things have happened in southern Alberta, where I reside. So thanks again.

We do have a lot of ground that I want to cover this evening. If at any point I ask a question and get what I'm looking for and have to interject so that we can get to the next one, I hope you'll appreciate that that is not meant to be rude or anything. I'm just trying to get the information out as much as we can.

We're going to be referencing a few different documents tonight. Just a heads-up for you that a lot of it will be from the business plan, a lot from the fiscal plan beyond the estimates, of course, and the annual report and a little bit on the website. Not too much from that but a lot of the business plan stuff.

I'll be referencing each section, Mr. Chair, ahead of each question just for your reference so that we pay attention to what we're supposed to be doing.

The Chair: I appreciate that.

Mr. Stier: If we could, I'd like to start. It would probably be important, I think, to note that despite what's going on, we do need to ask some questions on the Alberta Emergency Management Agency. A lot of people are concerned about it and what's going on. It's just inquiring as to how it's going and why and so on and so forth. You know, it leads the co-ordination, collaboration, and co-operation of all of the different organizations involved in the prevention, preparedness, and response to disasters and emergencies across the province.

Let's start, then, with business plan outcome 3. It states: "Albertans have an enhanced ability to prepare for, respond to, and recover from emergencies and disasters." The first question, I guess, out of all of this that we've been going through here with relation to the fires: has government considered amending the budget due to the amount of money now spent on wildfires both in Fort McMurray and around the province?

Ms Larivee: Well, thank you for that question. In terms of emergency response, actually very similar to the wildfire budget, disaster recovery is not primarily budgeted for but generally asked for with supplemental funds from the general revenue. So within the budget there was \$200 million which was budgeted generally and unassigned to a particular disaster to kind of help start with that. We've already committed that the \$200 million will be allocated to the Fort McMurray fire for the recovery of the community, and should we need any more, then we will have to request additional funds.

Mr. Stier: Okay. All right. Thank you.

The business plan, page 110, outcome 3, shows a decrease of half a million dollars more or less. Also, the estimates on page 196, line 9, shows that again. In response to the 2011 Slave Lake fire, a report was commissioned, the Flat Top Complex. You're quite familiar with it, I know. It included 20 recommendations for improvements to wildfire response at the time. Have you been able to ascertain what key items were implemented as a result of the Flat Top report?

7:20

Ms Larivee: I mean, the Flat Top report was created for Forestry, to help them in terms of figuring out how to deal with response to

that. I certainly know that Forestry and the GOA have committed to supporting Flat Top. However, that's Forestry's responsibility.

Mr. Stier: Okay. So you see nothing in the Flat Top Complex that would have caused some changes to your ministry's actions, especially with the Alberta Emergency Management Agency, from that report?

Ms Larivee: Well, I'm very proud of the work that the Alberta Emergency Management Agency does. You know, we responded very promptly and appropriately and efficiently to the Fort McMurray fire, and we'll continue to support them in doing that work.

Mr. Stier: Okay. Let's move on a little bit, then, on the same outcome and the same decrease. Recommendation 5 in the Flat Top report was that government have in place resources such as crews, equipment, aircraft contracts in advance of the wildfire season and have a portion of firefighters on year-round contracts. Was that fully in place prior to the Fort McMurray fire?

Ms Larivee: Once again I have to say that that actually has no relevance to the Municipal Affairs budget. It's 100 per cent embedded in the Forestry budget.

Mr. Stier: Is it? Okay. Thank you for clarifying.

Okay. Is there anything from your ministry, then, on standby in case of a wildfire? It's all having to do with the other ministry or not?

Ms Larivee: We generally provide more planning support and monitoring of events and expertise in terms of fires. We've provided a tremendous amount of support to the regional emergency operations centre, for example, in the regional municipality of Wood Buffalo. We also provide a lot of support to municipalities in terms of disaster planning, ensuring that they have the resources, helping them, you know, with practices and drills, providing funding for training, also doing the same in terms of structural firefighting, which is a little different. But certainly through the fire commissioner we continue to do that as well. I'm proud of the support we provide to municipalities to help them deal with emergencies such as what they just went through.

Mr. Stier: Okay. Thank you for the clarification.

Again on the Flat Top Complex report, and we're still talking about the same line number in the estimates, Mr. Chair. The Flat Top report talked about a lot of communication issues and so on and so forth and weather advisories and wildfire behaviour potential to ensure an understanding of the wildfire danger that is there. These advisories: do they come out of your ministry, then, or is that part of the forestry management side?

Ms Larivee: Yeah. In terms of those, that would be Forestry. I mean, through the Provincial Operations Centre we are in close communication with Forestry, but it's the municipalities we work with and the municipalities who determine if they need any assistance.

Mr. Stier: Okay. I'm just talking about communications now because, as you know, in Slave Lake it was decided that they had some issues with regard to services going down when that event took place. Is that a Forestry issue, or is that a Municipal Affairs issue?

Ms Larivee: Well, part of emergency and disaster management planning is having all of your protocols in place. It's the

responsibility of municipalities to have their emergency management plans in place.

Mr. Stier: So that is Municipal Affairs, then.

Ms Larivee: We do continue to provide support to the municipalities to ensure they have all the resources they need to help with that planning. But, again, it's the municipal responsibility to have that in place, not Municipal Affairs.

Mr. Stier: Okay. Again in the same estimates, line 9, with the half a million dollar decrease. The Provincial Operations Centre – and there are different levels of emergency response – I believe is managed by Municipal Affairs as the overall ministry responsible. Who actually is responsible for determining the increasing or decreasing level of response? Is that Forestry, or is that Municipal Affairs?

Ms Larivee: A municipality makes the call as to whether there's a state of local emergency. Certainly, we are in close communication with them if we see any kind of signs of concern, but it is up to the municipality to make that call.

Mr. Stier: Okay. But the question that I had started out with talked about the Provincial Operations Centre. Do they not have any involvement in that?

Ms Larivee: Well, in terms of the communication with them and helping them and providing them advice and guidance in terms of that – and, certainly, once they do decide that there's a state of local emergency, we share that through Alberta emergency alert and provide guidance and support. Certainly, they do work in consultation with the Provincial Operations Centre, which is within my ministry, in terms of making that decision.

Mr. Stier: Okay. So there are three or four levels of response, I believe, Minister. Is that a call that is judged and made by the POC or the LOC?

Ms Larivee: It would be the municipality who would make that call but in consultation with the Provincial Operations Centre.

Mr. Stier: Okay. All right. Fine. Thank you very much.

Does the department, in high-threat areas such as northern Alberta, monitor or create and maintain an inventory of private equipment and personnel to take advantage of time savings in an emergency? You know, we've had this conversation, I think, in the House recently about local water trucks and heavy equipment and so on and so forth. Do they take advantage of these when these types of situations arise, please?

Ms Larivee: Again, the actual on-the-ground response is that it's the municipality who responds and not Municipal Affairs. We provide the support and guidance and consultation to them in doing that process. It would be the municipality who would have that on-the-ground planning to complete.

Mr. Stier: Okay. The last question in this section that I've got here is with regard to setbacks. I believe that's a FireSmart issue. Is FireSmart under Forestry, then, or is that under your ministry?

Ms Larivee: FireSmart is under Forestry.

Mr. Stier: Okay. Thank you.

Evac centres. You know, I'm aware of at least one case where the mayor, MLA, and MP all called the Provincial Operations Centre pleading for administrative and logistical supports and emergency

supplies, including various personal hygiene products, clothes, et cetera, et cetera. There was repeatedly at some of these evacuation centres, when people were calling for assistance, virtually no response for several days. The community finally in some instances had to run out to private suppliers because of no provincial aid or support for I think it was in one case 10 days. Do you know or can you tell us why that actually took place, what was not happening as it should have in terms of these evac centres and support from the various services the government operates in these evacuation centres, please?

Ms Larivee: I mean, to be honest, you're asking sort of a nonspecific question, having not identified the community. I can talk specifics if you have a specific example.

Mr. Stier: Okay. Boyle, I guess, would be the one.

Ms Larivee: We had a number of official evacuation centres right across the province. Initially Boyle was not one of those. We did work with them in terms of deciding if they wanted to be an official evacuation centre or not. Again, we had designated a number of resources to those communities. We also were working with the Red Cross to provide additional support to communities as well with that.

Mr. Stier: When the event took place – and I want to underline that this is not a criticism; this is only asking questions – I gather, then, that some evacuation centres had been envisioned to be places and designated by the department, and I guess there were some that were not considered locations, but it turned out that evacuees went there. Is that correct?

Ms Larivee: Yeah. I would say that probably the vast majority of communities across this province have some evacuees who chose to go there for some reason, often because they potentially had friends and family there. Obviously, setting up over 300 municipal centres for evacuees was cost prohibitive and organizationally very difficult, so we did prioritize supporting some communities across the province. I believe we communicated the locations of those communities quite broadly as well.

Mr. Stier: Okay. So some of these communities were, you know, selected at first and designated that way, yet some still had problems, I'm understanding, like Lac La Biche, with getting some sort of official help even though they had been designated. Is this just another, I suppose, result of so many things being done all at once and just that somebody got left out of the loop?

Ms Larivee: Well, certainly, you know, during the response phase the challenge is prioritizing safety. There is certainly logistics co-ordination in the Provincial Operations Centre. From my experience they're quite responsive to the needs of those who call in.

7:30

Mr. Stier: Okay. I think the point has been made, and thank you for the answers that you've given.

With this budget decrease that we spoke of in line 9, page 196, of \$500,000, what services are going to be impacted by that decrease in funding, please? Do you have an interesting bit of information to provide on that?

Ms Larivee: Just give me one second. You know, essentially, the AEMA is taking a 2 per cent cut to staffing as well as supplies and services, as we're doing right across the board in the interest of finding efficiencies within government. The budget allocation, however, ensures funding to continue to deliver the disaster

recovery program in-house and to continue to make improvements to that program as well. I've been very clear about my commitment to improving the DRP, and that has not changed with this budget in any way. Notwithstanding the modest budget cut, the funding allocated to the AEMA will enable it to maintain the improvements to capability made since the southern Alberta floods such as doubling the number of field officers and increasing the number of disaster recovery staff to ensure that a high standard of support to communities and indigenous peoples is maintained.

Mr. Stier: Okay. Minister, I'm just wondering: do you have any idea if there are services that are going to be cut other than a 2 per cent cut in staffing? That was the question.

Ms Larivee: No. I mean, again, we are maintaining all the improvements we've made. Our staffing is virtually the same. Again, you know what it's like when someone chooses to leave a position. Oftentimes it might take a little while to fill that position, so we expect to find some modest cost savings there.

Mr. Stier: Okay. I'd like to move on to the next question, then, the same line number. Strategy 3.3 in the business plan, page 110, talks about holding emergency management exercises in an effort to strengthen the government's preparedness and ability to co-ordinate emergency response. When you talk about emergency management exercises, is that like disaster response simulation? If so, how are these done, and what is the cost associated with these exercises, please? Where might we find the estimates for that?

Ms Larivee: As noted, it actually states that we "work with [our] local authorities and partners to design and deliver" those exercises. We provide support with the staff that we have already within AEMA, who are designated field officers within emergency management, to provide support to the communities in terms of working through those exercises. One of the examples is EMX 16, that we ran this year. There was EMX 15 last year, you know, which provided some support to a number of communities right across the province in terms of doing some fairly large-scale disaster simulations. Again, it's working with the local authorities and partners, so that would be captured within our normal operations staffing within the AEMA, which would be under 9.3.

Mr. Stier: So that's where the money is in that regard. Is that figure in there associated with other costs? Has this exercise got a separate cost to it?

Ms Larivee: Again, we're providing support to the municipalities, so they would bear the vast majority of those costs, and our staff would be providing a lot of support in terms of funding. If you look at line 9.3, operations, one of the things that it's designed to do, coming out of those operations dollars, is to deliver annual progressive emergency management collective training to ensure the readiness of public safety partners and to deliver a comprehensive lessons-learned program that supports continuous improvements through that. Again, it's primarily supporting them to do those exercises.

Mr. Stier: Okay. I'd like to move on, if I could, to the business plan, page 110, key strategy 3.4, the Alberta emergency alert. Just where does emergency alert get funded through, please? Is there a line number in the estimates for that?

Ms Larivee: Okay. It's actually the same line item. We're happy to work with municipalities to allow them to be able to communicate that clearly.

Mr. Stier: Okay. Are there any enhancements coming forward? We've gone through a couple of significant years here even since I've been here. Is there more money funded because some things have been recognized that were lacking? Are there some improvements we're going to see to the alert system?

Ms Larivee: Of course, we're always working to continuously improve it. Actually, I'm very proud to say that it's considered exceptional right across this country in terms of examples of how to communicate. In fact, other jurisdictions are looking at it as an example of how to do that large-scale communication.

Mr. Stier: Good.

Ms Larivee: I would reiterate that Alberta emergency alert is a sharing of alerts that come from the municipalities. Again, we're dependent upon the municipalities to share with us some of those concerns. Certainly, out of those operational dollars we will co-ordinate and maintain the Alberta emergency alert.

Mr. Stier: Okay. Thank you very much.

Again, in the business plan, page 110, key strategy 3.6 talks about the 911 grant program and the call-answering standards, et cetera, et cetera. There is talk of a lot of these kinds of calls being a lot of times prank calls, if you want to call them that. You know, they're talking about a 40 per cent rating of some of these being false calls. Is this something that is being addressed? Is it something that is wasting a lot of dollars? Are there some types of remedies being thought of to try to remedy that situation?

Ms Larivee: I will have Dave answer. He works with the Alberta Emergency Management Agency.

Mr. Stier: Great.

Mr. Galea: I'm the executive director of policy and training with the AEMA. The 911 program is implemented under the Emergency 911 Act. Within that act it allows for penalties for making crank and frivolous calls to 911. That legislation is available to the justice system to be able to deal with those sorts of issues.

Mr. Stier: Okay. If I could supplement, do you know: is it a large amount? Has it changed? Are we improving on that at all? Is that being addressed?

Mr. Galea: There is misuse of the system. I can't give you the statistics, just that it is possible to deal with these issues now that that act is in place.

Mr. Stier: Thank you very much for that clarification. I appreciate that.

Okay. Back to the estimates again, then, line 9, again with the decrease. There is a key strategy as well in the business plan. In quoting strategy 3.2 here in the business plan on page 110, "Enhance community preparedness in Alberta by developing and promoting online tools to assist in completion of community-level risk assessments, emergency plans," et cetera, et cetera, are there online tools being considered now? I think you probably already have some, but are there more, and can you maybe expand a little bit on how that could be enhanced or used as an assistance in the future?

Ms Larivee: Yeah. Thank you. Certainly, online learning is an opportunity that everybody is taking advantage of more and more now to ensure that people are educated and also to get current tools out there. We do have a number of programs that we offer online to

provide support and assistance to emergency management experts and their teams from municipalities right across the province.

In terms of specific examples, I'm happy to have Dave come up to talk with you should you so desire.

Mr. Stier: I don't think it's a primary item.

Ms Larivee: Okay.

Mr. Stier: It gives me some feeling that we're working on something to a benefit. That's the main thing.

Ms Larivee: In fact, I actually think we have many in place, again, and in many ways we are at the forefront in terms of doing excellent work in this area.

Mr. Stier: Okay. What I'm trying to do with these questions is establish, on the goals that you've set, if we are making some progress, so thank you for that.

The last question I have in this section, page 196 in the estimates, line 3, assessments and grant administration, a decrease of about \$1.2 million there, which is about a 7.3 per cent decrease. I think that somewhere along the way we're wanting to inquire about the municipal wildfire assistance program. Is that still part of Municipal Affairs? It's on the website, and I'm just wondering if it has maybe been transferred to a different ministry. What's going on with that?

Ms Larivee: That's involved if there is a disaster. It's providing support to municipalities to help them in terms of operational costs in terms of dealing with wildfires.

Mr. Stier: Okay. So it's still part of the ministry?

Ms Larivee: Uh-huh.

7:40

Mr. Stier: All right. Thank you very much.

I'd like to move now to one of my favourite topics and yours, MSI. I think most people know that MSI helps support local infrastructure priorities, helping to build safe and strong, resilient communities – we all like to have those words – but as you pointed out earlier in your presentation, there is a cut of \$50 million overall. Was that just accounted for in one particular portion of a formula, or was that just an overall cut to the entire – can you just expand a little on how that works, please?

Ms Larivee: Right. It's specifically to the MSI capital component. Again, that is distributed to the municipalities based on a formula. We have not touched the formula. That's an agreement that was reached with the municipal associations. However, recognizing the tremendous financial challenge of the province, we recognize that the \$50 million increase that we talked about last year was just not defensible at this particular point in time, in fact a very small increase in comparison to the substantial revenue drop of the province. We're thankful to municipalities for being understanding of that.

Mr. Stier: Okay. Thank you for that.

In the business plan, page 109, key strategy 1.5 talks an awful lot about how we need to provide funding to municipalities to help them meet their long-term goals. You know, this situation started in '07, when they brought out the promise of \$11.3 billion over 10 years. As you pointed out, we're facing that horizon now. My first question of two is: how much is left to spend of that promise that was made? Where are we at on that timeline and the scale, please?

Ms Larivee: Okay. As of this year there was \$7.557 billion, and that would leave a remainder of \$3.743 billion to be allocated.

Mr. Stier: Thank you very much for that figure. I appreciate that.

So if there's still that kind of money owing, why isn't next year's target considerably higher?

Ms Larivee: Once again, I believe we have very robust support for municipalities right across the government of Alberta. Not only is there MSI but a substantial commitment to infrastructure for projects right across the province which benefit municipalities and the restoration of STEP funding and of STIP funding and a variety of sources there . . .

Mr. Stier: Sorry to interrupt. One of those times that I have to interrupt you. I apologize.

So are we, then, going to just collapse that promise and cap it off at \$7.5 billion? That's as good as we can get here on the initial program?

Ms Larivee: We fully recognize our municipalities as being key partners in terms of serving Albertans, so with that, we recognize that we will always be providing some support to municipalities for their capital projects. I'm looking forward to having conversations with the municipal leadership in the coming year in terms of dealing with the fact that the current agreement expires in 2017.

Mr. Stier: Okay. Minister, just to be clear, then, we're just shutting the program down, and then I think that in your initial presentation tonight you had indicated that you're going to be talking about the new plan. Are we going to leave this program short the \$3.74 billion and we're going to roll out a new plan? Just what exactly do you mean, please?

Ms Larivee: If you look at the capital plan, municipal sustainability initiative capital grants have projections for the next five years. I look forward to continue working with municipalities and providing that funding support for them long term.

Mr. Stier: I see. Okay. I think I can get what you're saying.

How do you plan to move forward with a new direction, then, on that? Earlier in the meeting tonight you said that you're going to be talking about a new program and so on and so forth. Can you shed any light on the new program?

Ms Larivee: Well, actually, I didn't necessarily talk about a new program. It's the fact that the current agreement is coming up for renewal in 2017. Municipalities, actually during the MGA consultations and for many years before, have expressed concerns and questions regarding municipal funding structures. So in the interest of good consultation and communication with my municipal partners, whom I respect very much, I look forward to talking to them about their concerns and talking about the renewal of that agreement going forward.

Mr. Stier: Okay. You're talking, then, if I may, just using the words you just used, about renewal. You're talking about working with municipalities in the future. Can you provide the committee here tonight any kind of indication that there will still be a basic formula, like we've had before, or if it's some whole new kind of system? Is it going to be the same kind of framework? What can municipalities expect, please?

Ms Larivee: Certainly, I recognize – well, the whole government of Alberta recognizes that municipalities value predictability, especially in terms of support for infrastructure. We also recognize,

again, as I said, the role municipalities play in the province, and we're working hard to sustain critical infrastructure projects during challenging economic times. Again, valuing the municipalities and knowing that they've expressed concerns in the past, I look forward to conversations with them. I think the outcome will be dependent upon the conversations that we have with them, which is the way consultation usually goes.

Mr. Stier: Okay. Minister, I'll take the last three questions as actually not being answered. I've been asking some specific questions about what municipalities can expect. Will there be changes to the formula? I haven't got a clear answer.

Ms Larivee: They can expect true consultation, which means actually listening to what they have to say before I have a plan in place.

Mr. Stier: Thank you, Minister.

Let's move on to another great topic, then, if I could. It's called linear taxes. Rural municipalities lack the commercial tax opportunities and face significant land issues in their transportation infrastructure experiences, you know, accelerated deterioration to roads and all the other kinds of things that they have to deal with. They depend on revenue associated with linear taxes to assist with governing those costs. In addition to that, rural municipalities have always shared these tax revenues regionally with their local urban municipalities, particularly, to fund regional important projects like recreation centres, libraries, et cetera, as you well know.

There's been a lot of mixed messaging about linear taxation recently, to say the least, over the past year. You yourself have stated – and I'm paraphrasing – that there will be no changes to linear and it will stay completely in rural Alberta and none of it will go to any of the cities. However, recently there was an article in one of the weekly papers where one of the county chief administrative officers, or CAOs as they're known, reportedly said that they had attended a meeting with Municipal Affairs staff who had informed the group that he was with that department and they would be collecting and redistributing linear tax revenue on a regional basis, similar to the education requisition. If you want actual quotes, I can get those and provide them if necessary, but I think you've heard the same rumours.

Ms Larivee: Yup.

Mr. Stier: Given that we've got the business plan, key strategy 1.3 on page 109 states that one of the priorities is going to be to “work with municipalities and other stakeholders to revise the regulations associated with the MGA to ensure governance, planning, and assessment and taxation policies align with the [new] MGA,” will there be changes to linear tax assessment, collection, allocation, and/or distribution? Can I get a yes or no at the end of your answer, please?

Ms Larivee: Thank you for the question. Mr. Chair, I have to say that I'm very proud of the fact that when I say something, I mean it. I'm a person of integrity. I've made it very clear to people right across the board that if I say something, you can stand by it. When I make a promise, I will keep it. So when I made the promise that there would be no pooling and distribution to the cities, I really meant that. There certainly was some interesting communication. I read that myself and was happy to send a correction to that particular newspaper, I believe it was, in terms of correcting the information in that because I certainly have made a commitment that I understand rural Alberta and that those linear dollars will be staying in rural Alberta.

I also, again, stated the importance I have of listening to the stakeholders who are engaged with me. I've heard from them very clearly how dependent they are on linear dollars. I've also heard very clearly from them how much sharing happens already and how proud they are of it. I've made the commitment to not in any way impede the good work that is already being done.

With that, I look forward to sharing the MGA with you very shortly. At that point you will see if there is anything in there that is a concern to you. However, I stand by the commitments I've already made to rural municipalities right across the province.

Mr. Stier: Okay. Thank you for that very much. I appreciate that.

Are there going to be any changes, then, to the linear tax system as we know it today?

7:50

Ms Larivee: Well, Mr. Chair, I think I stated already that I recognize that the actions that I take will be supportive of rural communities . . .

Mr. Stier: We heard that. Yeah.

Ms Larivee: . . . supportive of the work that they're doing. I look forward to sharing the MGA relatively soon, and the member at that time will see if there's any impact on their assessment.

Mr. Stier: Okay. I'm getting no answer again, Minister, on that. I want that on the record.

Ms Larivee: Okay.

Mr. Stier: Then, I'm going to move on. What about machinery and equipment taxes? Again, will the municipalities be faced with any changes on how they're assessed, collected, allocated, or distributed, please?

Ms Larivee: Okay. Mr. Chair, I have to thank the member once again for the question. Certainly, we've heard from a number throughout the extensive consultation with the MGA. We heard concerns from both municipalities as well as from industry in terms of this area, and we've pulled together and compiled that information in terms of coming up with some action in terms of what we thought best met the needs of Albertans as well as those key stakeholders. I look forward to sharing the details of that with you when the MGA comes very soon.

Mr. Stier: Okay. No definite information on that yet either.

All right. Let's move on, then, if I could. You're talking about the MGA and the review and the new amendments. I guess the review has been completed. The new amendments are probably coming up in the bill that we expect. Can you share at least, then: with this new bill and the amendments will we see additional taxing powers provided to municipalities, or can you say?

Ms Larivee: Again, we worked very hard with the municipalities in terms of consultation. However, to be honest, that has no impact on any line item within our budget, so I'm actually a little confused as to what this has to do with the estimates we're discussing today.

Mr. Stier: Okay. You know, this is part of the business plan, how you're accountable in the key strategies and outcome one of the business plan, and what we're looking for is just a little bit of information here. I think taxing powers does relate to estimates, Minister.

Anyway, let's move on if you're not going to answer that one, then. I'd like to go now to the last section we might get in here

because it's a fairly important one and it's fairly involved, and that's regional collaboration and planning. One of the main programs that facilitates regional collaboration is the Alberta community partnership, the ACP, as you talked about. According to the website "the objective of the [Alberta community partnership] is to improve the viability and long-term sustainability of municipalities by providing support for regional collaboration and capacity building initiatives." Further to that, in priority 1.1 of the business plan it states that the Minister will "work with municipalities and metropolitan regions to strengthen regional planning and service delivery and to promote the optimization of resources and responsible decision-making in the best interests of all Albertans."

The budget line item 7 on page 196 shows that we're looking at a change for the ACP of \$40 million down to \$20 million, which is a 50 per cent decrease. This year you're only budgeting \$20 million. My question is: how does a reduction to a program like this support regional collaboration and all that? How can you carry on with a 50 per cent reduction in something that you want to focus so much upon? What is the significant change we're seeing with that 50 per cent reduction, please?

Ms Larivee: Okay. Certainly, it was a reasonably substantial reduction to that portion of the budget. However, again, they were incredibly challenging times. Seeing as the vast majority of our budget is grants – in fact, 95 per cent of our budget is grants directly to municipalities – and given the priority that I have felt coming from the opposition to cut programming, I'm a little confused about why every single cut is being challenged at this table, but I will take a bit of a crack at it. I think there is a lot that we do to support collaboration with municipalities. In fact, we have an incredibly extensive team that works with municipalities providing very extensive support on an ongoing basis in terms of helping them with relationships between each other, dealing with dispute resolution, helping them in terms of planning, helping them in terms of viability, and a lot of that is providing assistance to them in terms of working with their municipalities.

However, with that, we did recognize the continued importance of the Alberta community partnership grant to supporting that, so I'm happy that we were able to continue to provide support to the Capital Region Board and to the Calgary Regional Partnership in terms of that kind of collaboration.

Mr. Stier: Okay. Minister, I'm just trying to nail down, though: what did we see that is no longer there with this cut?

Ms Larivee: Right.

Mr. Stier: The special parts of the program: can you be specific about what is no longer there?

Ms Larivee: Okay. We continue to provide funding to the Capital Region Board and the Calgary Regional Partnership. There was a slight reduction in their funding. I've communicated with both of them, and they find it manageable, and they can still meet their outcomes given those particular small reductions. We've actually continued to provide strong support in terms of municipal restructuring dollars, which include support for mediation and collaboration.

Mr. Stier: Okay. Twenty minutes left. Yes. Thank you. Carry on, please, if you wanted to finish.

Ms Larivee: It includes support for mediation and collaborative governance initiatives to organizations promoting municipal

professional development and in general just providing those supports to municipalities, I guess, who are struggling a little bit.

Mr. Stier: Okay. Nothing that stands out significantly for \$20 million of cut I gather, then, is what you're telling me.

Ms Larivee: Yeah. Every single one of our programs within ACP continues to be maintained.

Mr. Stier: I got that already, but I was asking about what has been cut, please.

Ms Larivee: Yup. The municipal internship program had a small cut. The Calgary Regional Partnership and Capital Region Board had a small cut. Some of our other grants were slightly cut. In terms of interim municipal collaboration grants to municipalities, which generally were used primarily for helping plan regional infrastructure projects, that was probably where there was a more substantial cut.

Mr. Stier: Okay. Some of the regional planning stuff has been cut.

Ms Larivee: Right.

Mr. Stier: All right. Let me move on, then, if I could. I think we've got enough on that, then.

There was a review during the fall estimates – it was mentioned that there was going to be a review on the ACP. Did you have any significant things that were found once that review was done with respect to the budget? Did you see spots where the 50 per cent reduction was necessary? Are all these cuts a result of that review that you did?

Ms Larivee: Certainly, in terms of ensuring that there was competitive access to the grant funding instead of being more on an allocation basis, that was a change we made that we thought would best meet the needs of Albertans, so that's how the funding was distributed.

Mr. Stier: Okay. Well, that's one answer. Anything else on that one? That was the key thing from that review?

Ms Larivee: That was the major impact of the restructuring. Yeah. That was the major change, making it competitive as opposed to allocation based.

Mr. Stier: Okay. Let's move on then to, again, the same area in the budget, line 7, page 196 again. Instituting the new Calgary and Edmonton growth boards: can we expect to see the implementation of these boards before the end of the year or the end of the fiscal year? Then I would like to go after that question in some more detail if I could. Do you see that coming up? Is that going to be within this calendar year?

Ms Larivee: With that, those mandatory growth management boards were a portion of the changes coming forward with the MGA. With that, the major details on those will be developed primarily – I would expect that there would be some details required in some regulation that will come following the legislation. I look forward to working with you to get through the legislation in the House relatively soon, so we can have conversations as to what's needed subsequent to that.

Mr. Stier: Though, do you have a target date on that when you want to get that implemented? Is it a 2016 or a '17 item?

Ms Larivee: I've been in communication with the organizations with a projected date of being in place prior to the municipal elections in 2017.

8:00

Mr. Stier: Okay. Thank you for that.

That kind of gets me over to an extra page on this one maybe a little earlier than I'd planned. You had just stated that that was going to be part of the MGA. It's not going to be a separate bill, then. It will be a part of the amendments in the overall MGA bill? Or will the growth boards have their own bill?

Ms Larivee: They would have their own regulation addressing them, but they would be enabled within . . .

Mr. Stier: That's a regulation. It's going to be a regulation within the amendments.

Ms Larivee: It's a combination of details within the bill as well as some regulations that will supplement it.

Mr. Stier: Okay. All right. Thank you for that.

When we look back on the Capital Region Board and the Calgary Regional Partnership, in the years gone by, they both received the same amount of government funding, yet one was active and working, because the Capital Region Board had been put in place a number of years ago, and the CRP was just basically an association with no legislative mandate. Why were they given the same amounts of money in the past, and is that going to change any in this year until the new boards are put together?

Ms Larivee: Certainly, this particular budget reflects support for them transitioning to the mandatory growth management boards. We're already working hard with them to talk about what the mandate of that might be as well as what the membership might be and how the governance structure is going to look. They're already coming together, all the potential members of that organization, in terms of looking at that. They're already actively moving somewhat in that direction.

Mr. Stier: But, Minister, with respect to the dollars I was asking about, will there be more dollars going to the CRP now because suddenly they're going to be doing a bunch more work towards getting that board together, or is it the same amount that they've been getting?

Ms Larivee: This particular year there was actually a small cut to both of them but also a recognition that there are substantial benefits to participating in an organization that allows them to come to an agreement that optimizes the services they can provide to residents.

Mr. Stier: I see. Okay.

With respect to these growth boards are there going to be extra costs to the municipalities due to these growth boards being put in place, and if so, can you give me an idea of what those costs would be like? Would they be to supplement the overall costs of the running of the board and its office and its staff and all that? Is there going to be another building? Just how are these extra costs that municipalities may be faced with going to be used, please?

Ms Larivee: Again, we're continuing to fund the Capital Region Board and the Calgary Regional Partnership, with a recognition that both of those are somewhat evolving. I mean, CRP might be more of a rebirth than an evolution on that one, but certainly we continue to pick up a number of those costs. We're working with them in terms of, again, figuring out what their mandate is, what their

governance is, how they work together. So we'll make a lot of those decisions together moving forward.

Mr. Stier: Okay. Minister, sorry. In case I wasn't clear, municipalities are already paying a portion of some of those costs now, are they not? None at all? Will they be expected to pay some costs in the future once those are set up?

Ms Larivee: Again, that's in communications that we continue to have with them, ongoing, in terms of what that looks like.

Mr. Stier: That's not settled yet.

Ms Larivee: There's the potential, given the benefit that they do get and the importance of intermunicipal collaboration, that there's some expectation that with the benefits they derive from that, they would pay some costs. But, certainly, by no means, in any way, have we had the conversations to say that clearly one way or the other.

Mr. Stier: Okay. Thank you.

Will there be an opt-out mechanism or something like that for specific high-cost initiatives such as regional transit where it can be shown that for outlying areas and smaller communities it just can't make sense and it's not warranted to do so?

Ms Larivee: Certainly, the growth management boards are about managing growth appropriately, not about putting excessive burdens on any municipality. So, you know, it would be providing support for all the various municipalities that are part of that process to do some land-use planning and growth management together and to develop a regional approach to the delivery and equitable funding of services. Again, that's equitable funding, recognizing that the actual access to the service or benefits would vary from community to community. There would be equitable funding in terms of that.

Mr. Stier: Okay. That's good. Thank you for answering that.

Ms Larivee: Does that help? Okay.

Mr. Stier: That helps a little bit, yeah.

Let's go now to key strategy 1.1. Again, we're still on the business plan, page 109, you know, talking about the regional collaboration. The growth boards were announced in the fall of 2015. Your predecessor announced that at the AUMA convention suddenly. Many of the municipalities involved directly in the Calgary metropolitan area were not consulted ahead of time. I was just wanting to ask: what technical evidence, what information was used to base that decision on, please? I guess the question is: why? Why mandatory?

Ms Larivee: Yeah. Certainly, we have a homegrown example of that. There were extensive benefits for the Capital Region Board in terms of coming together, in terms of the outcome of appropriate land-use planning and growth management and the kind of conversations that they've had there. They've had great success. In particular, the requirement that it be mandatory actually led them to conversations that it's highly unlikely they would have had without that situation. We're looking forward to supporting them to continue to evolve in terms of the potential they could have within the region.

Mr. Stier: Okay. Thank you for that answer. It seems interesting because a number of the rural municipalities involved in that particular group have expressed numerous complaints to me with regard to that rather than accolades. I'm just wondering if that is an

overall sense you've just stated, or is that something where you've got some actual evidence to base that statement on?

Ms Larivee: As I stated, the mandate, membership, and governance: those things are up for grabs in terms of the Calgary mandatory growth board. Also, we are having conversations with the CRB. This is an opportunity as we're looking at, I guess, a 2.0 version of that board, looking at the mandatory growth management board, you know, talking about if potentially, moving forward with that, the membership may be exactly the same. But, certainly, in terms of ensuring land-use planning and growth in the area immediately surrounding Edmonton, there are some really good conversations that have been going on with that and some good outcomes in terms of moving that forward. I look forward to supporting them to do even better work in the future.

Mr. Stier: Okay. You know, Minister, despite what you've just said, the current intermunicipal planning system, that's been going on in the Calgary region for the past 20 years, has been working fairly successfully. There have been annexations of land that have happened fairly well. There's been mutual collaboration, and city growth down there has been robust.

Both the municipal district of Foothills and Rocky View county had worked with the city of Calgary even up to 2014 and had agreements with the new direction that was being requested. Those agreements were pending, yet it seems like your government has decided to make a whole new deal. They weren't consulted. They're not happy. They do not want to be in a mandatory situation. They want it to be a voluntary situation, as they had agreed to. They had a governance model that they'd decided was going to work for them. So I ask one last time: why did the department decide that they wanted to have mandatory membership in this new growth board situation?

Ms Larivee: Right. I mean, you talked about the growth in the Calgary region being robust, and you are absolutely right. In fact, there's a substantial amount of urban sprawl that is not sustainable long term. The voluntary intermunicipal planning essentially was like a piece of Swiss cheese; there were so many holes in it. A lot of tension, again, between communities that there was no requirement for resolution, because of the voluntary nature of that, has led to some less-than-optimal planning within the Calgary region. I look forward to supporting sustained, well-thought-out land-use planning and growth management in the future to ensure the very best outcome for the Calgary region going forward.

Mr. Stier: It's interesting that you note that you blame the city of Calgary's sprawl upon this situation.

Anyway, let's move on, then, if I could.

Ms Larivee: Yeah. Can I just add a detail? It was not just Calgary. There are many areas there that are sprawling in ways that are inadequate, far beyond just the city of Calgary.

8:10

Mr. Stier: That's the reason that you guys decided to go with that?

Ms Larivee: Right.

Mr. Stier: I see. Okay.

When we talk about members to the growth boards and so on and so forth, do you have some sort of a system in place as to deciding what areas are going to be within the boundary?

Ms Larivee: We provided some support to the potential members of the Calgary growth management board in a facilitated discussion to

identify what they wanted the mandate to be, what membership might look like given that mandate, and how they could work on governance. With that, I certainly will be reviewing the conversations that came out of that and moving forward with, you know, a plan that will best service the Albertans that live in that region.

Mr. Stier: Okay. Thank you very much.

Do you have costs associated with each of these growth boards now as projected that they're going to be? Do you have numbers against these as compared to what we were seeing in the past?

Ms Larivee: Again, they both continue to get grants through the ACP in terms of both the CRB and CRP continuing to function, recognizing that there's some work being done within them that will transition into the growth management board. We also, again, provide a lot of support to municipalities right across this province from our general staffing in terms of development.

Mr. Stier: Okay. Do you have any numbers associated with the budget for these boards?

Ms Larivee: In terms of support to the CRB and the CRP, we have \$2.5 million for each of them allocated right through the next three years, sustained.

Mr. Stier: Each year, \$2.5 million: that's a reduction of approximately a million dollars each compared to what they had before.

Ms Larivee: No. Base funding was \$3 million each. They did get a variety of other small grants on top of that through ACP, so it was a half a million dollars each.

Mr. Stier: Okay. Fine. Thank you very much.

Now, we want to talk a little bit towards this out into the rural areas, if I could, and smaller cities and towns. You've been pretty clear that the mandatory growth boards will only be for the two big cities, I think. However, you've also said and made various statements here and there – and I don't have exact quotes, but I could find them if necessary – that regional collaboration will no longer be left to chance. Besides the metro areas, do you have a plan to ensure regional collaboration will be going on throughout the province, and if so, are you going to make some of those into mandatory growth board type systems?

Ms Larivee: Again, absolutely, I've said that with mandatory growth management boards, the only areas that have that sustained kind of growth that needs that level of management, in conversation, are the Calgary and Edmonton areas, so I will reiterate that. Certainly, there are a number of challenges right across this province where, to be honest, Albertans are getting the shaft because their municipalities can't agree enough to actually have the conversations to talk about what the right thing is to do for their communities. An example: two fire halls literally almost right next to each other because nobody could figure out how to talk to each other well enough to come up with a plan to actually share the same facility.

Mr. Stier: I see.

Ms Larivee: I'm sure you would agree that that's not in the best interest of Albertans. So I will be working in terms of coming up with a plan to get Albertans the best bang for their municipal buck going forward and get the kind of agreements that need to happen between municipalities.

Mr. Stier: Okay. The last question I have on this section has to do with the model again. I think you alluded to it a little bit, but I just needed to clarify it a little more. Because the act is coming out fairly soon, I believe, have you established at this stage any kind of a governance model and/or how these growth boards will be set up and operated yet? Is it going to be a model that we've seen at the Calgary Region Board with a few tweaks? Can you please explain anything more about that?

Ms Larivee: Certainly, we're looking at a variety of ways to encourage and enable municipalities in how they work together. The work on the MGA is, thankfully, moving forward, and I look forward to sharing details as legislation and regulations continue to be shared.

Mr. Stier: Okay. We're not going to get any information about how they're going to be . . .

Ms Larivee: Well, we'll have a little more dialogue on my summer tour this summer as I go around and meet with the local leadership. I look forward to chatting with you about it then.

Mr. Stier: Okay. All right. The next section I have is city charters. I see I only have about a minute left. We may have to carry on with this later. City charters, as you know, have been quite an issue the past couple of years, and I'm just wondering if you can speak a little bit about how we're going with that topic. Can you provide an update on what's been discussed, and is there anything that we can rely upon to be released here in the next short little time to give us more insight into the city charter issue?

Ms Larivee: Yeah. As you know, the enabling legislation for the city charters came via the amendment that came in the spring of 2015. Since then there have been conversations with both Edmonton and Calgary in terms of what the city charters might include, talking to some extent about the governance piece, planning and development, safety codes, ongoing collaboration, improvements to the taxation assessment system with that; you know, streamlining how cities choose to operate. Those are a lot of the conversations. Did they have some unique needs or challenges in terms of their large size and their capacity that we could deal with in the governance piece?

The Chair: Thank you, Minister.

We'll now move on to the members of the third party.

Mr. McIver: Okay. Thank you. I'll go back and forth, Chair, if that's okay with you.

The Chair: Thank you. Please proceed.

Mr. McIver: Thanks for being here, Minister. What are your top priorities to get done in the next year or two?

Ms Larivee: Well, thanks for that. Certainly, the MGA continues to be a huge priority, so I look forward to introducing that legislation very shortly. I also think it's very important to have that extensive consultation after the MGA to ensure that we make any tweaks necessary to the legislation to ensure it continues to best meet the needs of municipalities.

Mr. McIver: Okay. I was looking for the headlines, not the whole body. I've only got 20 minutes.

Ms Larivee: Okay. So there's the MGA, also the DRP program, ensuring that we continue to move forward with improving the DRP.

Mr. McIver: Okay. MGA, DRP. Any other headlines?

Ms Larivee: Certainly, those would be my two largest although the city charters would be a subsector of the MGA, which I'm also committed to working on.

Mr. McIver: Okay. Thanks, Minister.

The 911 centre in Calgary: are you going to let the city run it, or are you going to take it over? Is the province going to take it over?

Ms Larivee: I mean, we provide the 911 grants, but that's not our call.

Mr. McIver: So you're not planning any change, then?

Ms Larivee: I will continue to provide the grants.

Mr. McIver: Are you planning any change to who manages it and operates it?

Ms Larivee: Certainly, that's not even on my agenda whatsoever.

Mr. McIver: Okay. Municipalities with seniors' homes: are they going to be required to give up ownership in order to get grants for those?

Ms Larivee: That was a really odd question. I have no intention of asking anybody to have to give up ownership of anything to get grants.

Mr. McIver: Okay. Which new powers will municipalities gain as a result of the new MGA?

Ms Larivee: Certainly, again, the work on the MGA is moving forward quickly. I look forward to introducing that in the Legislature relatively soon.

Mr. McIver: Which new powers will they lose as a result of the MGA introduction?

Ms Larivee: Again, moving forward, I'm looking forward to having chats with you about that in the Legislature soon.

Mr. McIver: Okay. How much more will municipalities pay for loans from the government of Alberta because of the lost triple-A credit rating?

Ms Larivee: That's Treasury Board and Finance.

Mr. McIver: Sounds like Municipal Affairs.

Okay. We'll keep moving. It sounds like you're trying to push collaboration. How far down the road to regional government are you planning on going?

Ms Larivee: You know, I have a lot of respect for municipal autonomy, and I've restated that over and over and over again, so I look forward to working with municipalities in terms of working together.

Mr. McIver: Okay. On the building Canada fund, that goes through the province, how much of the grant money is going to go towards municipalities? I've heard \$700 million, \$400 million, and \$300 million from municipalities, Minister. Respectfully, I'm just

wondering which of those numbers you're going to say or a different number perhaps.

Ms Larivee: We have the small communities fund, that's fully allocated already, so we continue to meet our commitments on that piece.

Mr. McIver: How many millions of dollars, if you don't mind?

Ms Larivee: It's a total of \$188 million throughout.

Mr. McIver: Okay. Linear assessment: what changes are you planning, Minister?

Ms Larivee: Sorry. Can you repeat that?

Mr. McIver: What changes are you planning to linear assessment?

Ms Larivee: To linear assessment?

Mr. McIver: Yes.

Ms Larivee: Again, I think I stated pretty clearly that I recognize the importance of linear assessment to rural communities. Respecting that, I look forward to introducing any conversation about that in the MGA relatively soon.

Mr. McIver: Respectfully, you haven't been clear at all.

Is there anybody getting linear assessment now that won't be getting it after you make changes?

8:20

Ms Larivee: Again, the MGA details are moving forward, and I look forward to introducing that in the Legislature, at which time we can have that conversation.

Mr. McIver: Is there anybody not getting linear assessment now that will get it after you make the changes?

Ms Larivee: At the risk of sounding tremendously repetitive, the work on the MGA is moving forward, and I look forward to introducing those details in the Legislature very soon.

Mr. McIver: Okay. The carbon tax is going to cost municipalities a lot of money. They've all said that. What relief are you able to give municipalities for the additional costs that the carbon tax is going to bring upon them?

Ms Larivee: Again, the carbon levy actually does not fall within my ministry.

Mr. McIver: No, but the municipalities do. Are you planning on getting any relief for the municipalities?

Ms Larivee: You know, again, the government of Alberta has stated its commitment to moving forward and making it revenue neutral. From the actual specific Municipal Affairs budget, no, but I look forward as the GOA to, yes, supporting municipalities.

Mr. McIver: There's revenue neutral, and there's a lot of millions of dollars going to municipalities. We'll see.

The education tax formula: any changes planned on that, Minister, that municipalities have to collect?

Ms Larivee: No. We gave them the allocations. We're expecting to collect 32 per cent of the cost of education. We continue to be thankful for our partners in education in terms of collecting those monies for us.

Mr. McIver: Okay. The MSI is scheduled to expire in a couple of years. What are you going to replace that with, please, Minister, if anything?

Ms Larivee: I'm not necessarily doing anything other than talking about renewal with the municipalities, but having the conversation . . .

Mr. McIver: So you're planning on extending the MSI? Is that what you're saying?

Ms Larivee: I very clearly stated earlier – and I wish you had maybe, hopefully, heard it that first time – that . . .

Mr. McIver: No. This is my 20 minutes. I'd like to ask the questions and have your answer if you don't mind, Minister.

Ms Larivee: That's very fine.

I am committed very much to true consultation with the municipalities. They've expressed some concern about the way municipal funding happened in the past. So should we as a result of that conversation decide to go with a different model, then that might be perhaps where we land. However, I am committed to long-term funding for municipalities, and I look forward to working with them to support that.

Mr. McIver: So the regional municipalities, the fund: that's been cut by what percentage for Calgary and Edmonton?

Ms Larivee: It was from \$3 million down to \$2.5 million. I don't know if someone wants to pull out a calculator.

Mr. McIver: Okay. I've heard from both Edmonton and Calgary that it's going to cost them to dramatically curtail their operations. Is there any other relief that is available to them after that happens?

Ms Larivee: You know, I've heard from both of them that they're actually still going to continue to do quite well and be able to meet their mandate.

Mr. McIver: Oh, I'm sure they're going to do what they can, but they both told me that they have to dramatically curtail their operations in order to continue because of the funding cut that you're putting on them.

Ms Larivee: Well, it's a 16 per cent reduction.

Mr. McIver: Okay. No relief.

City charters: what new taxing powers will cities have after the charters are in place?

Ms Larivee: We have not even gotten that far in the conversations in regard to city charters. At this point we continue to work with them to figure out what kind of capacity they have and what challenges they have and how we can best work together to meet those.

Mr. McIver: What new authorities will they have that they don't have today?

Ms Larivee: We continue to work through the possibilities in terms of what capacities they have that might allow them to provide some support to Albertans in a way different than other municipalities, but we have in no way nailed down those details at this point in time.

Mr. McIver: Okay. What new government of Alberta funding will they receive as a result of the charters?

Ms Larivee: That would be dependent upon the result in terms of figuring out what responsibilities we may allocate to them as a result of the charters, about which we have ongoing conversations.

Mr. McIver: Okay. So if they won't have any taxing power or authority and they won't get any more funding, why are we doing city charters if there's nothing that's going to benefit them?

Ms Larivee: Well, again, I stated that we continue to evaluate what the potential is for the city charters. Those ongoing conversations have been very fruitful. I certainly look forward to sharing with you and, in fact, all Albertans once we have some more details in terms of the city charters, in terms of a very open, transparent consultation process around the city charters going forward.

Mr. McIver: Okay. On federal government grants, going forward, will any of the municipalities get direct access to them, or will they always go through the provincial government to get access to federal infrastructure grants?

Ms Larivee: As of right now it seems that they've been directed through Infrastructure, but should the federal government choose to offer them directly to municipalities, I look forward to working with them through Municipal Affairs.

Mr. McIver: Okay. Municipalities tell me that some of them hire people to do grant applications. I've even heard from a mid-sized municipality that has paid somebody \$5 million over the last few years in commission by giving them 10 per cent of what they get in grants. The point is that they have people doing grant applications for the municipalities because they're so complicated. This isn't something new to you, Minister. This is something that the previous government struggled with, too. Are you planning on doing anything to simplify the grant application process for municipalities?

Ms Larivee: I mean, the largest portion of grants that we give out is through MSI, which is purely by allocation, and it's an incredibly brief application process. I think, respecting the challenges that they have with that, that's one example of how we try not to place a strong burden on them for that.

Mr. McIver: So no plans to simplify that, then.

Ms Larivee: I wouldn't simplify something that's already simple.

Mr. McIver: Well, respectfully, some municipalities are paying a lot of people a lot of money to do applications for them because they don't agree that they're simple.

Ms Larivee: Right. Not for Municipal Affairs: that is what I'm saying.

Mr. McIver: Flood mitigation projects: do you have any hand in deciding that stuff, Minister?

Ms Larivee: That's purely Alberta Environment and Parks.

Mr. McIver: Okay. We'll keep moving here, then.

Your plans talk about building safety codes. What changes are you planning to building safety codes that will make things better for municipalities?

Ms Larivee: One of the things that I'm most proud of is moving towards automated adoption of new building codes so that there are not the delays that have been associated with it in the past in terms of code adoption.

Mr. McIver: Okay. Police funding: any changes to the formula planned?

Ms Larivee: That's not ours. That would be from Justice and Solicitor General.

Mr. McIver: Okay. Any municipal election donation changes planned?

Ms Larivee: Certainly, we've heard a lot from municipal leadership that they would like to see some changes done to that, so that's something that we're considering at this point and working with the municipalities on to decide about what we bring forward.

Mr. McIver: So you're not saying on that one. Okay.

The Alberta Emergency Management Agency: you talk quite a bit about that. You talk about climate change and emergency and disaster management stuff on page 108 of your business plan. What changes are you planning to the Alberta Emergency Management Agency?

Ms Larivee: Well, recognizing the importance of the Alberta Emergency Management Agency, we're maintaining all of their programs and continuing support. There continues to be, as stated, ongoing development of training materials for municipal emergency management experts to enhance the capacity of municipalities in terms of responding to disaster. We continue to provide grants to municipalities for the same, and we continue to provide funding to the Provincial Operations Centre to ensure that the monitoring and support and expertise are there ongoing.

Mr. McIver: So it sounds like no changes.

Ms Larivee: There are no substantial changes.

Mr. McIver: Okay. Utility taxes, the municipalities' authority to charge them, and their requirement to report on them clearly: are there any changes planned on that?

Ms Larivee: No.

Mr. McIver: No changes?

Ms Larivee: No changes.

Mr. McIver: Okay. Annexation, dissolution, and municipalities coming together: any changes planned for that, Minister?

Ms Larivee: In terms of . . .

Mr. McIver: The rules, the regulations, the requirements of the municipality.

Ms Larivee: I think that they were all in the previous MGA. I mean, all the significant changes were in the MGA that was passed last spring by unanimous consent right across, so we're looking forward to bringing those in.

Mr. McIver: No additional changes, then?

Ms Larivee: No. We continue to provide support to municipalities that have questions about any changes going forward, but we also continue to support municipal autonomy.

Mr. McIver: Okay. What about debt limits for municipalities? Any changes on that?

Ms Larivee: You know, we continue to work one-on-one with municipalities who make requests of us and consider whether that is appropriate or not. We continue to offer that service.

Mr. McIver: What about the ones bumping up against their debt limit because of you stretching out the MSI money? Are you going to make any accommodation to them?

Ms Larivee: I was going to say that very few are there.

Mr. McIver: Yeah, but there are some. What are you going to do for them? Anything, Minister?

Ms Larivee: There are some municipalities across this province that struggle. You know, some of them are trying to make decisions as to whether they're viable or not, so we continue to have support for viability reviews and also provide support in terms of development and enhancing sustainability and will continue to provide that funding to them.

8:30

Mr. McIver: The community revitalization levy: are you going to continue with that, or is it going to take a new form, or are you not going to continue with that?

Ms Larivee: Well, certainly, ongoing community and economic development is important. I look forward to supporting municipalities with that, but at this point in time that's still under review.

Mr. McIver: Under review.

Okay. Orphaned wells: any relief for municipalities that have orphaned wells, where the company that was responsible for them is no longer in business?

Ms Larivee: Certainly, we have heard concerns with that from municipalities during the MGA review. Looking at that, we continue, in terms of moving forward with the MGA, to consider possible options for that. I look forward to chatting with you about that and the MGA in the Legislature relatively soon.

Mr. McIver: Okay. Any changes to land-use requirements or anything that will make it easier or harder, if you choose, I suppose, for municipalities to put in microhomes, minihomes, those types of things, tiny houses? Any thoughts about that that you're planning in your ministry?

Ms Larivee: Again, land-use bylaws continue to be local decisions, and I respect that very much and continue to support municipal authority in that area.

Mr. McIver: Okay. You're reviewing, your government is reviewing boards and agencies. What are you planning for the Municipal Government Board?

Ms Larivee: In terms of solely the administrative component, we're sharing administration with the Land Compensation Board and the Surface Rights Board and the New Home Buyer Protection Board. But it's purely the administrative function; there's no other merging whatsoever in terms of their function.

Mr. McIver: How much do you expect to save from doing that, Minister?

Ms Larivee: Initially the \$210,000 for the chair.

Mr. McIver: Okay. Thank you.

On page 108 it talks about extreme weather. It means that Alberta will expect more events such as the fires and floods and needs to be prepared to manage an upward trend in emergencies. How has your budget increased for emergency management? I can't see it if it has.

Ms Larivee: Yeah. In terms of continuing to provide support to municipalities and to the Provincial Operations Centre, we're maintaining our operations in terms of doing that. In terms of actual response to emergencies, that continues to be funded on an emergency basis out of general revenue, so no changes to that.

Mr. McIver: Okay. But you can see why I'm concerned when you write in your report – right? – you know, basically, on page 108: it talks about how you anticipate a much bigger need, yet the budget hasn't kept up.

Ms Larivee: Well, again, the budget is for the baseline functioning of the Alberta Emergency Management Agency in terms of preparedness and planning.

Mr. McIver: So the baseline isn't going to increase even though you plan on a lot more of these things?

Ms Larivee: The baseline, no. Disaster funding comes with additional funding out of general revenue. It's not budgeted for that. Also, again, they're locally managed.

Mr. McIver: So you're going to prepare less and have more disasters, in other words?

Ms Larivee: I continue to provide support to the municipalities because they are locally managed and continue to ensure that there is a baseline level of support to be responsive in case of disaster.

Mr. McIver: It sounds like less preparation for more disasters. That's what I'm reading.

Ms Larivee: Well, I would disagree.

Mr. McIver: Working with municipalities and metropolitan regions: again, are you going to force the metropolitan regions to become part of the regional plan? Are you going to legislate it?

Ms Larivee: Yes.

Mr. McIver: Is it going to be a coalition of the willing, or are you going to force people into it that don't want to be in it, municipalities that don't want to be in it?

Ms Larivee: In terms of the importance of properly planned management of growth, which does not work well with individual voluntary collaborative agreements – it's been shown not to work that way – to ensure the very best growth of the core centres in our province, absolutely, we're doing a mandatory growth management board, and we will look at who the essential members are to be part of that.

Mr. McIver: Okay. Key strategy 1.5: it says that you're going to "provide funding to municipalities to help them meet their strategic long-term infrastructure needs." Then you turn around and you cut back their MSI funding. How does that square up when those two things are exactly the opposite?

Ms Larivee: It was a very, very, very small cut, to be honest, in proportion to the substantial amounts of funds that we provide to municipalities. I'm actually very proud that we can make a very small cut to municipalities considering the substantial revenue drop that the province was faced with.

Mr. McIver: It's also a hundred per cent diametrically opposed to what the goals that you've stated are.

Okay. Performance indicator, dollars per capita loss to fires in a calendar year: when you expect more disasters and you've done less planning and have less money for it, how are you going to go from \$228.20 to \$103.64, as indicated in chart 2(a) on page 110, especially with less planning and less money?

Ms Larivee: I'll have Bruce McDonald, public safety division, speak to you about that.

Mr. McDonald: Yeah. I mean, just as with the Slave Lake disaster, we prepare a performance measure, and then we don't change it if something changes. The Slave Lake disaster also had a very significant amount, but I think that we can explain it and differentiate between what was in a normal year versus what was after.

Mr. McIver: Okay. I've got, like, four seconds left, Chair, right?

The Chair: Thank you, hon. member.

We'll now move on to the member of the fifth party.

Mr. Clark: Thank you very much. I'd like to go back and forth with the minister if I may.

Minister, I want to thank you and your staff for being here given the incredibly difficult time that our province is facing, and I just want to say that I think you've acquitted yourself remarkably well and, you know, the Alberta Emergency Management Agency. I think that even in times of disaster sometimes perhaps we take for granted all that goes into that work, and I just want to say on my behalf, as someone who has gone through a disaster, that that work is tremendously appreciated, just seeing the responsiveness in being able to put out maps as quickly as you have. All of the things that I know have happened that we see as the outcome of all that work are the result of a lot of planning, a lot of very good people in the background. Alberta has a world-class emergency response, and I think that you really should be recognized for that. Given the challenging times we face, I appreciate your being here and answering our questions, so thank you very much.

My questions will focus on disaster recovery and the disaster recovery program. As we move from the crisis mode – and let's hope that that happens as quickly as possible and that we are into recovery mode. I know that we're not quite there yet, but I know that a lot of planning goes on.

I do want to focus on the disaster recovery program and some of the lessons that were learned from the 2013 floods. I'm going to use the High River DRP committee's report, the report called Finish the Job; Fix the System. They made a number of recommendations, and I know that you're aware of that. I'm just going to start asking a few questions that were recommended by the folks in High River, which were issues that a lot of my constituents in Calgary-Elbow and, I know, others who have used the DRP have experienced.

Have you created a DRP handbook that uses standardized language or plain English, a how-to book that explains what DRP is and isn't and how to access the program? Has there been work done on that?

Ms Larivee: Yes.

Mr. Clark: Okay. That's a brief answer. Thank you.

I'm curious about how much thought you've given to the new DRP claims that we're going to be facing here coming out of the fire. If I'm not mistaken, some of the comments – I don't think you were in the House earlier this afternoon – that were made responded to one of my written questions in terms of DRP eligibility and, really, what the program is and isn't. How much thought have you given to communicating with Albertans exactly what the DRP is and isn't and making sure that, coming out of the Fort McMurray fires, expectations are set at the very beginning as to what the program is and is not?

Ms Larivee: Right. Certainly, you know that I have great respect for the High River advocacy group. It was one of the first things I did, to meet with them. Certainly, you know, I've taken the recommendations to heart and moved forward with a number of them already in terms of transforming the program. There are a variety of financial supports for people who are affected by disaster, and the disaster recovery program is one of them. Certainly, as we move forward, it will have to continue to be clear that it's financial support for uninsured damages. Again, there were some lessons learned in terms of ensuring that there's some clear communication. Also, not only is it for uninsured damages but also for the basic-level functioning of that. That continues to be the mandate of the DRP program.

8:40

Mr. Clark: That was one of the biggest challenges, I think, coming out of the flood, that there were some expectations set that perhaps it was more than that. I know that that will be tremendously challenging for people to hear who may need to claim that. Again, I think that setting expectations up front will be very helpful.

Do you anticipate still that you will close all files relating to the 2013 floods by the end of June of this year?

Ms Larivee: We're absolutely fully committed to working together and moving forward with that. There are probably, I would expect, a very small number of incredibly complex files that would benefit from ongoing conversation on that, but at this point already 99.5 per cent of individual files are closed or fully funded. There are only 58 applications for individuals that are actually still in progress. There's been substantial change in that since I met with the High River advocacy group in November. I'm proud of being able to move forward with that in a very timely fashion. We also continue to work with the municipalities in terms of their claims and have dispensed, I think, \$250 million to date for close to 1,200 projects for municipalities. We'll continue to work with them in terms of completing the remainder of their DRP claims.

Mr. Clark: Okay. One of the biggest challenges coming out of the DRP experience from 2013 was lost case files, a lack of continuity when people would call in. You've talked in the past about putting a new electronic case management system in place. Is that system fully operational and up to speed, and is it fully in place and ready for use by the people in Fort McMurray?

Ms Larivee: Yeah, it certainly is. I have to say that since the unfortunate southern Alberta floods and all the experiences there – recently we had Chestermere, and unfortunately they had flooding as well. Working through that with the case management process, testing out the system, we got incredibly positive feedback from people in terms of the process. Things have gone very smoothly with what's come out of that to date although I do want to state that fire is very different than flooding, the fact being that it's primarily insurable. So the experience in Fort McMurray will be

tremendously different from the southern Alberta floods because of that component and the vast majority of loss being insurable for virtually everybody.

Mr. Clark: You anticipate, therefore, that there will be fewer cases than we might have seen? We had over 10,000 case files opened in 2013. You anticipate a significantly smaller number coming out of Fort McMurray?

Ms Larivee: Absolutely, because the vast majority of the loss will be insured. We will provide, through the DRP in Fort McMurray, financial support to repair or rebuild uninsured municipal public infrastructure. Again, most of their buildings are insured. You know, equipment is typically insured. But if the water treatment plant, for example – please, God, no – was damaged, then that would be something that potentially would not have been insured, and we could work with them to recover. Also, financial assistance to individuals to reinstate the very basic essentials for losses where insurance was not readily and reasonably available, financial assistance to small businesses to maintain viability when uninsurable losses occur – those are kind of the main pieces; again, fire is primarily insurable – the evacuation centre, security and medical care, mental health counselling, all those pieces, and some long-term recovery dollars.

Mr. Clark: Okay. Moving on, then, to the floodway buyout program itself – the floodway relocation program it's technically called – those 17 properties along the Elbow River in Calgary. We know that they're being torn down as we speak by Infrastructure. I'm curious. From your perspective at Municipal Affairs, what conditions need to be in place for those properties to be resold? Does the Springbank mitigation project actually need to be completed before you would actually make a decision on whether or not to resell some or all of those properties back into the market?

Ms Larivee: Certainly, we've said that it needs to be clear, at the time we sell the properties, that we're not placing those individuals at risk. There would have to be mitigation in place prior to us allowing those properties to be sold. Again, that's Infrastructure from now on.

Mr. Clark: Okay. I'm curious about page 198 of the budget, line 12.1, disaster recovery program for flooding. The forecast for 2015-16 was substantially less than the budget. The estimate looks like a little more than twice the 2015-16 forecast. Is that just simply those claims moving through and happening in the later year and not being settled as soon as we thought, or is there some other explanation for that?

Ms Larivee: Right. Again, it was cash flow in terms of meeting the requirements of whatever came forward in terms of DRP claims at that time.

Mr. Clark: Okay. Sorry, Mr. Chair. Can you just remind me how much time I have left? I didn't note the time.

The Chair: You have 10 minutes and 30 seconds.

Mr. Clark: Ten minutes and 30 seconds. Fantastic.

All right. The Alberta community resilience program has allocated, as I understand it, \$15 million over 10 years for Calgary, but I don't see it in your budget. Is that in Municipal Affairs?

Ms Larivee: It's Environment and Parks.

Mr. Clark: It is? Okay. Good. Thank you very much.

All right. Back to the budget itself, page 197, line 12.4, I note we have municipal flood readiness of \$14 million in budget '14-15 and nothing after that. Was that replaced by ACRP? Is it a program that ran out, or is that work complete? If you could just maybe explain perhaps what that is and whether our municipalities are being appropriately supported for flood readiness.

Ms Larivee: Yeah. It was an initiative that was approved by the flood recovery task force at that point in time, a two-year initiative, 2013-14 and 2014-15, to develop operational capacity to implement a series of flood readiness supply initiatives across southern Alberta, including First Nations communities. Again, it was a two-year approved program at that point in time.

Mr. Clark: It hasn't been replaced by anything?

Ms Larivee: I mean, obviously, we recognize the importance of working in terms of both emergency preparation and preparedness, so we continue to provide that support to municipalities. Environment and Parks continues to work with them in terms of mitigation measures.

Mr. Clark: Okay. The town of Okotoks and others in that immediate region have been advocating for a long time for a waterline from Calgary. There's an agreement in place for water and sanitary to be provided by the city of Calgary to Okotoks and region. Can you tell me what the status of that project is if that would be an approved project within this year's budget?

Ms Larivee: It's not actually within Municipal Affairs. That's an application under, I believe, Water for Life with Transportation.

Mr. Clark: Okay. So I need to ask there.

Ms Larivee: Let Transportation know. Although I do know when I've passed a lot . . .

Mr. Clark: Yeah. I know that has been something that's long in the works. If that's coming, that would certainly be welcome.

I want to ask about another project which is happening in the city of Calgary. I apologize; as I ask this, I realize it may be in a different budget. There are only 10 kilometres left of a remarkable pathway around Calgary, the Rotary/Mattamy greenway project. It requires only about \$2 million of funding, and I'm not even sure all \$2 million needs to come from the province. Is that a project that you're familiar with that would happen under Municipal Affairs, or is that perhaps something that happens in another department?

Ms Larivee: Certainly, we have a variety of grants. I mean, an example is that someone could certainly choose to use a portion of their MSI funding for that. In terms of how, within the city of Calgary, they choose to allocate the funding that they have access to from the province, I do not have any control over that.

Mr. Clark: Okay. I'll continue bouncing around here a little bit. I just wanted to pick up on a question previously asked by Mr. McIver on municipal election funding and campaign financing, and that is certainly something I've heard from municipalities on. I just wanted to ask you again perhaps an even more specific question. Would you consider, before the 2017 elections, eliminating or greatly reducing the ability for corporate and union donations, as we've done for the provincial funding? Is that something that you feel you are able to do before the next municipal election?

Ms Larivee: Certainly, it's something I'm interested in pursuing. I'm working with the municipalities to come up with some solutions going forward so that we can bring forward a piece of legislation that respects their needs.

8:50

Mr. Clark: Okay. I look forward to seeing that as well.

I do want to come back to disaster recovery and disaster planning, page 196, line 9.5, disaster recovery. This is partly an accounting question and partly a planning question. I can only assume that the 2014-15 actual of \$32 million was relating to the 2013 floods, and perhaps the 2015-16 also would be related to that as well. I don't know, and that's part of the question. My bigger question is that given that those numbers are so substantially higher than what is budgeted – and I acknowledge that I think the answer to the question is going to be: we'll spend whatever it takes to recover from disaster as it happens and address it. I do understand and appreciate that, but it seems that budgeting only \$200,000 a year for something that, when you see the forecast and the actual, turns out to be many tens of times that amount, perhaps it would make more sense from a fiscal governance perspective to reflect those budget numbers as perhaps some sort of rolling average over five or 10 years. Can you just speak to that, please?

Ms Larivee: Again, it is common practice that the ministry does not budget annually for disaster recovery programs due to the inability to project when they might be needed. There is great variation in that. It's actually fairly standard in multiple jurisdictions to budget for disasters in such a way.

Mr. Clark: Just because it's been done that way elsewhere – you know, I don't want to make a big fuss about it beyond just suggesting that it's also a fairly nice way of making the deficit look a little smaller. I think we could all acknowledge that. But, realistically, if this is something we're going to be dealing with, in the interests of transparency for Albertans I do think this is something I would encourage you and the Treasurer, please, going forward, to look at.

In my last few minutes here I'm going to stay on page 196, moving up to line 8.4, the tank site remediation program. That's gone from \$411,000 down to \$74,000 and now zero in this year. Has this been included in another department? Is the work completed? Can you just speak to where that money went and what the status of that program is?

Ms Larivee: Right. Okay. The program was introduced in 2000 to provide partial financial assistance to eligible municipalities and other site owners to assist with cleanup of current or former retail gas station sites contaminated by leaking underground petroleum storage tanks installed prior to September 1992. The program administration function was transferred to the municipal assessments and grant administration division in July 2015. There are 135 active tank site remediation program files. The decrease is due to a transfer of budget to central operations.

Mr. Clark: Okay. Perfect. Thank you very much.

The next line item, 8.5, new home buyer program: that's gone down nearly 20 per cent, 19.3 per cent, from the 2015-16 forecast to the 2016-17 estimate. Does this reflect a decrease in new homes bought in Alberta, or is it a cut to a program? Can you speak to why that's down?

Ms Larivee: Yeah. It's a cost recovery program, so it's just reflective of the facts and projections going forward in terms of new homes we're expecting.

Mr. Clark: Okay. My researcher has informed me that she was right, and as Barb usually is, she's correct about being correct.

You know, I'm going to ask a question that, again – and apologies; I'm asking things that are outside your purview. One thing that would have been tremendously helpful, I think, in the Fort McMurray disaster is provincial 211, the 211 service being a phone number and an online service that gives access to mental health, health, and government services. I know it's run by Human Services, but there was no service available in places like Lac La Biche although there was in Fort McMurray. I would just ask that you perhaps advocate with your hon. colleague in Human Services that, in future, it's a much easier number to remember than a variety of 310 numbers and mental health lines and those sorts of things that can provide centralized service. The Fort McMurray service is still up and running from Calgary and Edmonton; they've picked that up. It's the kind of thing, I think, that would be very helpful.

That's the end of my questions. I will cede whatever remaining time I have. Thank you very much for being here.

The Chair: Okay. We will now take a five-minute break, and we'll return at 9 o'clock.

[The committee adjourned from 8:55 p.m. to 9 p.m.]

The Chair: Okay. We will now continue. We will now move on to the private members of the government caucus for 20 minutes.

Okay. MLA Babcock, we'll turn it over to you. You'll be going back and forth with the minister?

Ms Babcock: Yes, please. Thank you. I'll also be sharing my time with the Member for Calgary-Glenmore.

The Chair: Okay. Proceed.

Ms Babcock: Thank you. Thank you for being here tonight, Minister. I'm just going to dive right in if that's okay with you. Recognizing that the province is in a severe economic downturn and that the Municipal Affairs budget has been impacted with program cuts, I'm wondering what else the ministry is doing to adjust its budget or make other changes that could negatively impact municipalities, that are also struggling to provide programs and services to Albertans.

Ms Larivee: Like many Albertans, we are all dealing with harsh economic realities. Our government is very aware that municipalities are feeling the effects, both economic and social, in their communities. That's why we made very careful choices around changes we made to funding. So the only reductions in our ministry budget that directly affect our municipal partners would be the MSI and ACP reductions, which I think are actually very modest given the economic circumstances we're currently facing. All other ministry program areas are maintained at the same funding levels.

Having said that, it's important to recognize that direct funding to municipalities is only one way that we contribute to building strong communities. Responsive emergency management, that we've talked about tonight, developing safety codes, fostering effective local government – that includes advisory services, mediation, improving legislation, which I talked about with the new MGA coming out – all play a significant role as we work together with our municipal partners.

Across the GOA support for municipalities remains strong during these tough economic times. The total direct funding by the GOA to municipalities is \$2.2 billion, and the total five-year capital plan for municipal infrastructure support is \$9 billion.

Ms Babcock: Thank you.

Minister, you mentioned in your opening remarks that there have been some cuts to the department's internal budget. This includes a 2 per cent cut to overall staffing costs and a 2 per cent cut to services and supplies as outlined by heading 1, Ministry Support Services, on page 196 of the government estimates. Could the minister expand on this and whether these cuts to staff affect program delivery at all?

Ms Larivee: Again, we certainly can't expect our municipal partners to be the only ones making adjustments for this economic environment, so it is a balance of investment and prudent restraint while serving the needs of Albertans.

As mentioned before, within this budget we've indeed tightened our own fiscal belt. There's a 2 per cent reduction for the staffing budget for the next three years and a 2 per cent reduction to supplies and services next year, which increases to 3 per cent in this area in years 2 and 3 of our business plan. This will be accomplished by choosing not to fill or to delay filling certain positions, looking at doing things differently and more efficiently while still maintaining our commitment to quality services and programs. As is typical with most large organizations – I had kind of referenced that before – there is a bit of time between when a person leaves the organization and when their replacement starts, you know, so there's potential to save some costs that way. We expect to.

But I definitely want to say that I'm very proud of my staff right across Municipal Affairs. I know they will continue to work hard to deliver on the many ways we support municipalities and all Albertans.

Ms Babcock: Thank you.

I wasn't surprised to hear there were cuts to the provincial budget. Both the Premier and the Minister of Treasury Board and Finance have been frank about these tough economic times and the impact on our province and the government's finances. I know all ministries had to adjust. Minister, it's been stated that the Municipal Affairs budget was reduced by \$80 million from what was expected based on targets. The MSI reduction represents \$50 million of that. However, the basic municipal transportation grant has gone up \$10 million, as indicated on line 4.3 on page 197. I know the BMTG is part of the MSI program, so could the minister please explain how or why Budget 2016 has reductions and increases in the same program?

Ms Larivee: When it comes to the municipal sustainability initiative, there are three program components: the MSI capital, MSI operating, and the BMTG, or basic municipal transportation grant. In terms of MSI capital and operating the amount budgeted is based on funding availability. The budget is then allocated to municipalities based on a funding formula and a multitude of factors – population, education property tax requisition, road length – according to each municipality's share of the various factors. Again, the formula factors determine how the total funds will be distributed but not the size of the total funding. The MSI reduction is specifically to the MSI capital component.

The BMTG component, on the other hand, is determined by set factors such as the volume of fuel sales, a dollar amount per capita, and other factors that define the total funding. For the purpose of the BMTG budget target these factors must be estimated as the final data is not available at the time targets are being set. Based on our estimates of these factors, a \$10 million increase was budgeted. Actual allocations based on the finalized data for these factors will be released soon. We are being prudent in our budgeting, making

reductions but also ensuring programs with estimated budget amounts are funded in accordance with their formulas.

As I mentioned previously, the GOA support for municipalities remains strong, and right across the GOA we fund municipalities with a substantial amount of money, in fact \$2.2 billion in this year.

Ms Babcock: Thank you.

As you touched on earlier, Minister, I have a supplemental on this issue. In speaking with mayors and councillors, the feedback I've received concerning Budget 2016 mirrors what a lot of other members have been hearing from their municipal leaders. Municipalities were pleased with certain aspects of the budget given that it supports municipal needs and supports local economies and residents but were also less satisfied with other aspects, specifically in regard to the MSI. Minister, can you explain why you proceeded to remove \$50 million in MSI originally outlined in Budget 2015?

Ms Larivee: Sure. The small adjustment in the MSI capital component is in light of the severe economic challenges impacting the provincial budget. Certainly, the reduction comes nothing near to reflecting the 20 per cent drop in revenue that the province experienced, again recognizing what a priority it is for us to continue to support our municipal partners in terms of their municipal infrastructure. We understand municipalities need to work collaboratively to address the challenging economic times now so we can all also share the benefits when Alberta's economic prosperity returns.

It's worth noting that the MSI operating budget remains unchanged at \$30 million. Also, the new capital plan invests \$9 billion over the next five years to support municipal infrastructure. This demonstrates that the Alberta government is committed to supporting our municipal partners with their local infrastructure priorities. The government recognizes the important role that municipalities play in the province and is working hard to help sustain critical infrastructure projects during these challenging economic times and beyond. In 2016 municipalities will receive just over \$1.2 billion in MSI funding.

Ms Babcock: Thank you.

We can all appreciate the economic impact on Budget 2016 and the ripple effect on the MSI program. However, if the point of the MSI funding estimates is to provide our municipal partners with a benchmark for long-term infrastructure planning and that number has been reduced, what will the impact be on communities given that many have earmarked future years' MSI allocations to build important municipal facilities, to pave roads, construct essential water systems, and more? Can the minister tell us what will happen to these projects now and which line items these are reflected in?

Ms Larivee: Certainly, we are aware that municipalities value funding predictability – the MSI initiative has been an important program for our municipal partners, and certainly predictability helps to support planning – and appreciate flexibility to make local predictions. Through the MSI we do continue to provide significant funding for local infrastructure. As previously stated, the reduction was actually quite small. Even with the reduction from the previous target, we are still providing a very significant amount, \$846 million through the MSI capital component. We recognize municipalities may have to adjust timelines on some projects or reprioritize the order in which projects go forward at this time. Two key benefits of the MSI program are that it respects local priorities and it offers a lot of flexibility.

One other thing to consider is the fact that during a slower economy such as we're experiencing right now, the construction

costs are often lower, so they may actually see some benefits in costs savings on projects as well.

Ms Babcock: Thank you, Minister.

With that, I'll turn it over to my colleague.

Ms Kazim: Thank you very much, Minister, for joining us tonight. I have a question in regard to the municipal sustainability initiative. I am sure municipalities across the province have been anxious to know how much their funding is this year. Can you please explain how the MSI adjudication was applied and how it was decided what each municipality receives?

9:10

Ms Larivee: In terms of the funding reduction to the municipal sustainability initiative it was to the MSI capital. The MSI operating remains unchanged, and the budget for the BMTG, or basic municipal transportation grant, is set at over \$359 million, so it can continue to be calculated the way it always has.

The reduction in capital does not change the formula that we will use to allocate funding to municipalities. We applied the same formula that's been used since 2007, which was developed after consultation with municipal representatives across the province. As per this formula the vast majority of annual MSI funding is allocated as 48 per cent on population, 48 per cent on education tax requisitions, and 4 per cent on kilometres of local roads. The formula addresses the needs of all sizes and types of municipalities and treats urban and rural municipalities fairly.

The allocations for the BMTG component are based on municipal status. Calgary and Edmonton receive funding based on litres of taxable road-use gasoline and diesel fuel sold in the province. The remaining cities and urban service areas receive funding based on a combination of population and length of primary highways. Towns, villages, summer villages, improvement districts, and the townsite of Redwood Meadows receive funding based on population, and rural municipalities and Métis settlements receive funding based on a formula which takes into account kilometres of open road, population, equalized assessment, and terrain factors.

Final allocations for municipalities will be released on the Municipal Affairs website right away.

Ms Kazim: Okay. My next question is, then, that with the MSI funding reduction, even if the same formula is applied, I would imagine smaller or more remote communities may feel the reduction more acutely because they have unique challenges or less ability to absorb changes. Does the formula account for differences between the size of communities or urban and rural municipalities?

Ms Larivee: The MSI continues to support small and remote communities. Under the MSI funding formula \$120,000 in base funding is provided to all towns and villages, and \$60,000 in base funding is provided to all summer villages. That is in addition to funding allocated on the basis of population, education property tax requisitions, and kilometres of local roads. Despite budget restraints the flexible support provided under the MSI operating component for all municipalities has again been maintained. Small municipalities will continue to receive \$9 million in funding through sustainable investment, which is part of the MSI operating budget allocated to municipalities with populations fewer than 10,000 and limited local assessment bases.

In addition, small urban municipalities with fewer than 300 residents continue to receive base funding of \$8,000 and just over \$33 per capita from the former BMTG grant program, which is now part of the MSI program as well. Small urban municipalities also continue to receive supports through two components of the new

building Canada fund, the gas tax fund and the small communities fund. Under the gas tax fund, or GTF, towns and villages receive a minimum allocation of \$50,000, and summer villages receive a base allocation of \$5,000 in addition to funding allocated on a per capita basis. Under the small communities fund, or SCF, only municipalities with populations under 100,000 can apply. We continue to meet our commitments on that as well.

Ms Kazim: Okay. Thank you very much.

As I'm sure the minister is well aware, municipalities are keen to know what infrastructure funding they can count on not just this year but also in subsequent years. A lot of municipalities have been asking about what is happening with the future of the municipal sustainability initiative. I have heard that the MSI program expires in March 2017. Can you please explain what happens after that? What can municipalities expect in terms of infrastructure support?

Ms Larivee: Thanks for the question. My ministry and, for sure, the entire government of Alberta are very aware that municipalities value predictability, especially in terms of support for their infrastructure plans. We recognize the important role municipalities play in our province, and we're working hard to help sustain their critical infrastructure projects, especially during such challenging times as we're dealing with right now.

When the MSI program was designed, it was to provide more than \$11 billion of support over 10 years. I know it will not be fully allocated by this coming fiscal year. Right now it stands at about, as we stated, \$7.6 billion allocated through 2016-17.

As I did note in my remarks, the Municipal Affairs three-year business plan and the five-year capital plan include funding for municipal infrastructure beyond March 2017, which demonstrates our commitment to those local priorities. We continue to engage in meaningful discussions with our municipal partners on what is the best way to deliver that support. Again, I fully believe in meaningful engagement and consultation with the people who are affected most, so I look forward to speaking with my municipal partners on an ongoing basis regarding that. We're working on a plan to ensure that infrastructure funding to municipalities continues to flow beyond March 2017.

In the meantime there are still a lot of projects being supported. They are numerous and diverse, and more than 5,000 projects have been supported by MSI. While there are annual reductions in coming years, over the long term our funding commitment to municipal infrastructure goes up again.

Ms Kazim: That's very good.

My next question. After hearing about the summary of how many projects have been supported by MSI so far, I would like to inquire about the nature of diversity of that support and some recent examples of what is being accomplished under the program.

Ms Larivee: Again, MSI is primarily on an allocation basis, so there are a variety of projects that municipalities engage in to help build their communities and enhance the quality of life of the people who live in their communities.

Examples of projects: Calgary used \$905.5 million of their MSI funding to help with the total project cost of designing and constructing the West LRT. That total cost was \$1.3 billion. Edmonton: for the relocation and expansion of the Mill Woods library they used \$30.4 million of their MSI funding, for a total project cost that was \$32.6 million. Medicine Hat: relocation and expansion of fire station 2 to improve fire response coverage; they used their MSI to cover the full project cost of \$9.5 million. Another one, Camrose county: they supplied potable drinking water to the hamlet of Duhamel and surrounding rural area; the MSI funding of

\$2 million was allocated towards that, and the total project cost was \$3.2 million. Another one: the town of Canmore developed a community art centre, which cost \$2.6 million, of which MSI was \$1.4 million. Lastly, another example is the municipal district of Spirit River, who used their MSI dollars, \$228,000, to help with the rehabilitation of the stormwater system surrounding the village of Rycroft.

So a wide variety of projects but all of them meeting the needs of that particular community, which is why a funding stream such as this, that allows for diversity and flexibility over time, allows them to meet the needs of their community, all of them helping build communities.

Ms Kazim: Okay. That's very good.

My next question is about the Alberta community partnership. We have had some discussions in the past as another member did ask a question in regard to it. However, I would like to get some more details on that particular topic. I have heard the minister and even our Premier say more than once that the era of competition is over when referring to how municipalities work to support their residents. I understand that the Alberta community partnership, which has been allocated \$20 million in Budget 2016 as per line 7 on page 196 of the government estimates, is a program that seeks to promote municipal co-operation and promote regionalization, yet the same line item notes that ACP funding has been cut in half. Minister, what is there in this budget and business plan to support this co-operation?

Ms Larivee: Thanks for the question. We talked a bit about this earlier. Recognizing the fiscal situation of the government, we tried to move forward with some reductions that would allow us to continue to provide necessary services to municipalities but also find some efficiencies. There is a reduction to the Alberta community partnership program, yet despite the reduction we remain committed to supporting regional initiatives for municipalities, encouraging collaboration, and focusing funding to encourage municipalities to work with their neighbours. There are several program streams under the ACP, and although funding will be reduced in some of them, the ACP will continue to support municipalities to resolve conflicts of neighbours, to build capacity through municipal internships, and to find more efficient and effective ways to deliver regional services. It's important to keep in mind that the ACP is one program that works in conjunction with others.

9:20

The Chair: Thank you, Minister.

We will now return to the members of the Official Opposition.

Mr. Stier: Okay. Well, thank you, Mr. Chairman. Minister, thank you for remaining. I'm hoping that the alerts that we're seeing on our phones are not something that will interrupt the rest of the meeting tonight. I thank you for your patience and understanding with all the questions that are sometimes being repeated tonight, too, by the way.

I'd just like to start out with a couple of different things that haven't been mentioned so far if I could, and one of my favourite topics has always been, because I used to participate there a little bit, the MGB. The Municipal Government Board was given some extra roles and responsibilities over the past couple of years due to, I believe, the appeals from the DRP, which I'd like to talk about a little bit later on, too. The MGB, I see, has got a reduction in their budget despite the fact they have extra responsibilities, and I'm just wondering what will be lost here in terms of services or what has happened in your budget proposal when they've had these extra

responsibilities put onto them. Is this reduction due to the fact that some of these appeals are now fully dealt with?

Ms Larivee: No. It's mostly due to the 2 per cent salaries and wages and 2 per cent supplies and services reductions across the board and also centralization of the IT budget for application development support. That funding was no longer required.

Mr. Stier: Okay. The amount of appeals and the turnaround times and some of those kinds of things have always been a subject with regard to the Municipal Government Board. With this loss of funding do we see a loss of performance or turnaround times with appeals or some of these things to any great extent or any at all?

Ms Larivee: I have no expectations of such. I do have Mike here, who is with the MGB, if you want further details on that.

Mr. Stier: If there are added responses that are necessary, that might be worth while.

Ms Larivee: Mike, you have to actually go up to the microphone.

Mr. d'Alquen: Sure. I'm Mike d'Alquen, acting chair with the Municipal Government Board. Really, nothing much to add there. We don't foresee any changes in service levels, so we anticipate it will be business as usual.

Mr. Stier: Okay. Through the chair, could I ask this gentleman another question for clarification, please?

The Chair: Please go ahead.

Mr. Stier: With the added responsibility of the disaster recovery program appeals have you seen a change in the turnaround time on your regular business activities with municipal issues, assessment appeals, subdivision appeals, et cetera, or have you been able to accommodate that with the present staffing and budget you've got?

Mr. d'Alquen: I haven't seen any impact, no.

Mr. Stier: Okay. All right. Thank you very much. That clarifies that question. I appreciate your response today.

I'd like to also talk to you, Minister, about the municipal services division. I'm not just sure how that is separated out, but what I'm talking about here, for clarity, is that it seems like an added number of municipalities seem to be going through a few internal disputes within their councils. We've seen some of this in the past few months. I know you've been involved, and we've had questions in the House with respect to a couple of municipalities. I don't know if it's necessary to name them, but I know that you probably know who I'm speaking about.

There seems to be a fairly elongated process there, and there seems to be a lot of time involved in some of the inspections after the petition is submitted. There's a bit of time involved for the petitions to be evaluated and the people that have signed the petitions validated, et cetera, et cetera. In the meantime these municipalities are in a little bit of a frozen situation sometimes, with a lot of their normal business operations being interrupted. I'm just wondering. I notice that the municipal services division is down by about \$150,000. Is there anything you can speak about? Are there changes, either services that have been cut or will be cut or affected, to make matters even worse than they are already?

Ms Larivee: Okay. Just give me a second to find the actual line item.

Mr. Stier: I believe it's 2.3, if I could.

Ms Larivee: Right. I certainly can say that to date we've been able to function within the requirements in terms of processing petitions, in terms of the time it takes to accept them and review them and process them. Of course, the larger they are, the longer it takes to get through that.

In terms of the reduction, that is due to the budget reduction of 2 per cent in salaries and wages and 2 per cent in supplies and services. Again, my staff are tremendous, and I'm confident that they will continue to work to ensure and address in terms of providing those advisory services, the mediation and the support for the kinds of concerns that are coming up.

Mr. Stier: Okay. If I could – and just bear with me a little bit as I build it. It seems to be, as in the case of, let's say, the city of Chestermere, that a petition was received I believe a few months ago now, and we're still waiting to hear whether or not the petition is valid. That is my understanding. Following that, I'm not sure of the exact status, but we still need to do, then, the initial decision on whether an inspection is to be the next step. There's some time needed for that inspection. So it seems to be a very long process, and I'm just wondering if you can shed some light on: what kind of time frame is normally involved in something like that? Is it going to be two years? We seem to be slowing down rather than speeding up, it seems from the outside, but I know there are things going on.

Ms Larivee: I know that there's been active work in terms of that petition, including the substantial work and endeavour of reviewing and validating the large number of signatures involved with that. Certainly, two years is a substantial jump from the time frame we're looking at right now, and I certainly don't anticipate it to be that. I look forward to letting the petitioners know relatively soon in terms of the outcome of the review of that petition and whether or not we'll be proceeding with an inspection based on the results.

Mr. Stier: Okay. Well, thank you for that. That helps quite a bit.

You're basically saying, as far as the budget goes, that in section 2.3, with that reduction you don't see any operational impacts from that, then, that we don't see a furthering of delay caused by that?

Ms Larivee: No.

Mr. Stier: Okay. All right. Thank you for that.

I'd just like to move on, then, if I could, to some of the stuff that has been mentioned slightly by others, and I apologize if I step over top of something that has been answered. I'm going to try to be specific to get to where I want to go with it. The DRP program is one thing I wanted to follow up on a little bit. You know, there was a lot of talk when the business plan came out about continuing to refine the disaster recovery program to ensure disaster financial assistance is provided to Albertans recovering from disasters in a timely, consistent, and efficient manner.

With regard to the 2013 flood – I know the Member for Calgary-Elbow talked about this a little bit, and I would like to talk a little bit about High River as well – where are we at with High River? I know that you have worked with the MLA for Highwood a little bit. Are we finally at a stage where we can say that the books are closed on that and that we have gotten all these paid out? Can you just give me a status report on where we're at, finally, with High River?

Ms Larivee: In terms of the individual claims, 99.5 per cent of the claims are completely done. That leaves 58 applications remaining in progress. Of those 58, though, 35 require action on the part of the applicant for the file to be processed further. You know, considering

where we started back in November, when we first had conversations about that and I made the commitment to move forward with DRP, there's been substantial progress. I'm really proud of the work of my DRP team in dealing with them quickly but in an incredibly compassionate, respectful manner, engaging with the people who were affected. They're a fantastic, caring team.

Mr. Stier: Yeah. That's great. I can recall when I was there when it all started, and there was a lot left to be said about the process at that point in time, of course.

The 35: have they been contacted? Do they know what's outstanding? Is this a legal matter? Why are they still outstanding?

9:30

Ms Larivee: Yeah. Certainly, we've communicated to them that they need to take some action on the part of their file to move farther, and we continue to wait for a response on that. Again, generally, they're more complex files.

The Chair: Thank you, Minister.

We'll now move on to the third party.

Mr. Drysdale: Thank you. I'll lead this part and, hopefully, back and forth. Thank you, Minister and your staff, for being here. I know you've been working lots of hours lately with the terrible situation, and I appreciate the hard work. Lots of questions have been asked tonight. Everybody stole my questions. I'll try and find some boring ones that are different than everybody else's, but I'll overlap on some, I'm sure.

Minister, I guess it's a small reduction in line 8.5 in the budget, the new home buyer protection plan. I know that in the past there have been concerns about how long it takes for somebody building their own home and applying for an exemption and how long it takes to get that. When people are doing things themselves, they don't like to wait a long time. Can you comment on that wait time? Has it come down, or where is it at today?

Ms Larivee: Certainly, in terms of the budget the reduction has no reflection on service capacity whatsoever. There will be no impact. Because it's a cost-recovery program, that's more to do with the number of housing starts. Looking at the budget and at estimates, that budget change has nothing to do with that and will certainly have no impact on services going forward.

Mr. Drysdale: But, hopefully, it won't make that wait time longer. You know, I guess there is no indication if the wait time has come down to a reasonable amount.

Ms Larivee: Well, certainly, this is not expected to have any impact on the wait time at any point at all. It's strictly because of the cost-recovery method and not because of any impact on service whatsoever.

Mr. Drysdale: Okay. Now I'll go to grants in place of taxes. You mentioned in your opening comments, you know, that the education portion of the grants in place of taxes would be covered or, I guess, written off from you, but how about the assessment of the municipalities? They'll lose that part, I'm sure.

Ms Larivee: Absolutely not. There's no loss to the municipalities. Like I said previously, we gave the education component of the property taxes, based on the assessed value of government property in the municipalities, to the municipalities, and then they turned around and gave that portion back to Education. That's the only component impacted. The actual piece that has to do with the grant in place of the actual assessed value that goes to the municipality,

the municipal tax component: they're still getting the full allocation that they were supposed to. In fact, there was an increase of \$4.6 million due to growth in assessed value and municipal tax rate increases, so from that component they're actually getting more than they would have last year.

Mr. Drysdale: So they didn't lose that portion at all. That was the impression.

Ms Larivee: They did not lose anything.

Mr. Drysdale: Okay. Thank you for that.

You know, in consulting with municipalities over the last while, they had some concerns with the municipal financial information system. They say that it needs to be improved, and they had some concerns about that. Do you have any plans to improve that? I guess they call it MFIS. Have you consulted with the munis about that, then?

Ms Larivee: I've never had anybody raise that with me whatsoever, so it's not something that was even on my radar to have a chat about, like, literally never ever.

Mr. Drysdale: You may want to ask them because they brought it up.

Ms Larivee: Well, generally, they're pretty good at letting me know if they need something, but we'll see what comes up after this.

Mr. Drysdale: Well, there's one they haven't.

Ms Larivee: We're making a note of it right now, though.

Mr. Drysdale: Okay. Some comments here. You know, rural municipalities are increasingly more reliant on high-risk revenue sources, with oil and gas up and down – you know what that's like – plus with grants all of a sudden being cut. Hopefully, you'll take this into account when you're talking about changing how you're dividing up assessment or a particular linear assessment. They have to deal with these high-risk things, and they need some reserves to do that. They have a lot of cost-sharing agreements and intermunicipal transfers between the municipalities. These are often ignored when you're looking at changing how things are funded, so hopefully you'll keep that in mind with any discussions on changes to your financial agreements.

Ms Larivee: Yeah. Certainly, absolutely, I think I've been pretty strong in saying that a healthy rural Alberta is so important to the health and well-being of this province as a whole. I certainly want to make sure we continue to support them and sustain the health and well-being of rural Alberta, and I would not do changes to the funding structure or funding agreements in terms that would negatively impact that well-being. I also am on the record as saying that I value the collaborative work that's out there already, and I want to move forward in a way that supports and validates and encourages and enhances that instead of getting in the way of work that's already been done there.

Thank you for that comment. Certainly, I will continue to move in that direction.

Mr. Drysdale: Thank you for that, Minister.

I just have a comment, too, on water for life and waste-water funding. I know it's not in your budget, but it's very important to municipalities, who you work with and are responsible for. They use a lot of their MSI dollars for these matching grant applications as well, so hopefully you will advocate to Treasury Board or Transportation. I know there was some talk about some of the

building Canada fund money being diverted to these budgets, so hopefully you'll support that as well.

Ms Larivee: Certainly, I recognize that there's a tremendous infrastructure deficit, that has existed for a long period of time and has roots in the history of this province that go back, actually, not too long. You would be familiar with some of that. We're working really hard with municipalities to address the infrastructure deficit that we inherited, and I'm happy to move forward on that. Certainly, MSI is one piece of that, and the infrastructure commitments we've made as a province are working to address that as well.

Mr. Drysdale: Good. Thank you.

Just to maybe jump to tank site remediation in the budget, I know it's been kind of cut, but in this budget now it appears that it's probably coming to an end. Can you confirm, I guess, that it's coming to an end, and have you consulted with some of the people that were using that program so that they're not caught off guard and the funding cancelled before their program is finished? Have you consulted with them about that? On what premise was the decision made to cancel it?

Ms Larivee: There are 135 active tank site remediation program files, and the amount of funding available in accrual with that is \$5.6 million for those files, so certainly those continue. Again, the decrease in this budget is due to a transfer of budget to central operations.

Mr. Drysdale: Okay. Thanks. And they're aware of that, I guess. You've consulted them?

Ms Larivee: Yeah.

Mr. Drysdale: Okay. Now I'd maybe move to discussions with respect to outcome 2 of your ministerial business plan, specifically to key strategies 2.1, 2.2, and 2.4. Strategy 2.1 states: "Work to harmonize safety codes with national and international codes and ensure they are adopted in a timely manner." Might I ask: what are the issues right now with our safety codes, and what will be the associated costs of fulfilling this strategy?

Ms Larivee: Certainly, at the time, a year ago approximately, we recognized that there were a number of safety codes that had tremendous delays in terms of adoption, so one of the main things we did was to move toward automatic adoption. We passed 17 regs and ministerial orders this past year, more than in the last three before that. We have seven of 10 code areas harmonized. We have five of 10 code areas with automatic code adoption. There will be two more added this year, and the key areas remaining are building and fire. We made substantial progress and look forward to more coming forward this year.

Mr. Drysdale: Okay. Thank you.

Strategy 2.4 states: "Support the implementation of codes that address climate change and water conservation." What, if any, consultation have you done with industry on this matter?

Ms Larivee: That would be the national energy codes that were adopted.

Mr. Drysdale: For climate change?

9:40

Ms Larivee: Well, certainly, energy codes help with energy efficiency, which helps with emissions reduction. It all goes together.

Mr. Drysdale: But the national safety codes don't ask for that, do they?

Ms Larivee: The national energy codes do, yeah.

Mr. Drysdale: Okay. Have you consulted with industry on this as well?

Ms Larivee: Well, the national energy codes were developed by experts at the national level, with a large amount of consultation right across the whole, entire country.

The Chair: Great.

We'll now move on to the private members of the government caucus.

Ms Kazim: Thank you, Chair. I would like to continue with my next question. Despite the budget reductions from the previous target the minister mentioned in the opening remarks that the Municipal Affairs ministry is increasing spending to libraries by \$600,000 as per line 11.2 on page 197 of the government estimates. Can the minister please explain the rationale for increasing library spending during these tough economic times?

Ms Larivee: Okay. There are two pieces to this. The first is that I'm proud to maintain the base funding to libraries that we'd established last year because during tough economic times public libraries are a valuable resource to families, particularly those who are looking at finding employment. Just having a safe place for people to go, helping them, supporting them in terms of their early childhood development: a number of things really contribute to supporting families, supporting community development.

With that, the increase, the \$600,000, is specifically to help ensure that indigenous people in Alberta are able to easily access our public libraries. That's a piece of our government's continued commitment to the UN declaration on the rights of indigenous peoples. We know that Albertans who live in First Nation communities or Métis settlements would previously have had to pay a nonresident fee for library memberships in neighbouring communities, and those fees could be up to \$60 a year, which was a real barrier for our indigenous people to access those things that are so important to families. This funding is a way to reduce that barrier, and we really hope that this increases the number of people using our valuable public library resources.

Ms Kazim: Oh, that's excellent to hear. I've been quite pleased with this government's commitment to public library services. Public libraries play a central role as a community hub and safe space for all Albertans. Some, such as the Stanley Milner library in downtown Edmonton, provide workshops and programs for low-income and vulnerable Albertans. Can you please explain in detail how the \$36.6 million in operating expenses for public libraries, as per heading 11 on page 197 of government estimates, benefits Alberta's families and communities?

Ms Larivee: Thanks. Yeah. So \$30 million is paid as provincial operating grants to support public libraries, and as a requirement of that grant program public libraries develop plans of service to identify priority areas to be supported in their own community. Nearly every public library in Alberta has identified early childhood literacy programming as a priority. Early childhood literacy programs at public libraries are really crucial to ensuring that children are ready for school and to providing support for parents. From traditional storytimes to innovative programs like Sleepover for Stuffies, that the St. Albert public library hosted, libraries help

kids in our communities build better brains and develop that lifelong love for reading and learning.

They're also welcoming centres for everyone. Our new Canadians such as our Syrian newcomers can find a place to go and find the resources they need and connect with their community there.

Wow. There are so many things that libraries do. One example is that I'm thankful the public library in Fort McMurray was not destroyed in the wildfire. I hope that continues to be so – the fire continues to be unpredictable – and I'm hoping that it continues to still be there because it will play a role in helping people recover: that safe place for them, for their kids, access to the Internet, job skills and retraining, all those things that are available there.

Ms Kazim: Indeed, libraries are an excellent resource to bring communities together and to strengthen them.

My constituents have approached me to say that they appreciate that our government is choosing to invest in Albertans rather than cutting front-line services and staff. This was why I was so pleased to see the continued success of the regional library system here in Alberta. Could you please talk about the investment being made in Budget 2016 in these regional services and how this is benefiting rural Albertans?

Ms Larivee: Yeah. The seven regional library systems are a fantastic example of municipal collaboration. Outside of the major centres regional library systems provide support such as IT and cataloguing, that allows rural libraries to operate and to provide programming for the communities. Many of the smaller rural libraries are actually sustainable because of their membership in a regional library system and the services they can access through them.

At the provincial level we work closely with the seven regional libraries to deliver province-wide initiatives such as SuperNet and Internet connectivity, e-books, and licences for things such as online TV programs and movies, books, magazines, language-learning software, and world newspapers in multilinguals. For rural Albertans a public library is certainly an important part of the community, and we're very proud to continue to support that.

Ms Kazim: That's excellent.

Key strategy 1.2 on page 109 of the ministry business plan speaks to the need for modernizing the Municipal Government Act. Can you please tell us about the kind of consultations that have been happening?

Ms Larivee: Thanks. Yeah. The consultation started in 2012. Thanks to the 2013 floods and 2013 municipal elections there was some delay. There were a number of complex and sometimes controversial policy issues that came out of those consultations. Obviously, as I stated, Bill 20 came forward last spring with the consensus items, but my department and I have met with diverse groups in the past months to talk about the outstanding issues, the more controversial ones. We're working towards all those issues as an important step to the amendment bill, which, again, I'll be introducing in the Legislature this spring.

At that point municipal leaders, partners, and Albertans will have an opportunity to review and comment throughout this summer. That is the central focus of my tour, to ensure that they have a chance to provide feedback. After receiving that feedback, we will look to pass the bill, with any appropriate amendments, in the fall sitting of the Legislature.

Ms Kazim: Okay. That's great.

Whenever we talk about the MGA, it seems natural to ask about what is the governance extension of that, the city charters. Let's talk about the work on city charters, which happens to be listed as key strategy 1.4 on page 109 of the ministry business plan. There are groups that believe this will automatically lead to the cities of Calgary and Edmonton being able to increase taxes. Could you please provide more detail on that activity?

Ms Larivee: Thanks. You know, as I stated before, we've had extensive conversations with both leadership and administration with both Edmonton and Calgary in terms of what the potential for the city charters could be. Together we want to ensure the sustainability of Alberta's municipalities, so we'll continue to talk about the importance of sustainability, what their challenges are, and possible solutions like regional collaboration. I see great value in being flexible and creative in addressing their unique challenges and opportunities. Again, they have not only the unique challenges of being substantially larger than any other municipality in the province but also have substantial capacity for that same reason.

City charters are being developed in phases, and the new fiscal framework for Calgary and Edmonton will be considered as part of phase 3 and will reflect the roles, responsibilities, and authorities identified in the two previous phases.

Ms Kazim: Thank you very much.

In the opening remarks it was noted that direct funding to municipalities is just one way the ministry supports Alberta's communities. The minister did touch on fostering effective local government in broad strokes. What I would like to hear more about is how Budget 2016 ensures the viability of smaller municipalities.

Ms Larivee: The department offers a range of advisory resources and training opportunities to build municipal capacity. We provide support in the areas of finance, governance and administration, land-use planning, property tax and assessment, municipal restructuring, dispute resolution, and local elections. In recent years the ministry has supplemented its traditional training supports with a series of regional training sessions that enable administrators from smaller municipalities to receive practical training in or near their home community. Nice to see that innovation. In 2015-16 these sessions attracted 211 individuals from 127 municipalities.

9:50

Ms Kazim: Oh, that's perfect. I know that viability of individual municipalities is key, so it's reassuring that there is a spectrum of supports that help accomplish that; however, the sum of the parts matters as well. Does this work involve the sustainability of regions?

Ms Larivee: Yeah. We need to recognize that our communities are interconnected and that they transcend municipal boundaries. Certainly, you know, that line between municipalities doesn't affect where people go in terms of what services they need.

The Chair: Thank you very much, Minister.

How are we doing over here? Back to our Official Opposition.

Mr. Stier: I'm fine. Thank you, Mr. Chair. I'll just carry on where I left off, if I may, with the minister. Thank you again.

The Chair: Okay.

Mr. Stier: The last time I spoke, we were just getting some details with regard to the DRP in High River. Thank you for that information.

I'd like to kind of move it along to emergency assistance and to the current issues we're dealing with in northern Alberta if I may, along those lines. I realize that you had answered a few questions earlier with respect to the difference of DRP in those flood situations versus the fire and so on and so forth. Recognizing that you did answer and respond that fire a lot of times is covered mostly by insurance, I suspect there are some times when insurance may not be there or there are some things that fall through the cracks. I'm just wondering, therefore, with what you've been faced with in the past couple of weeks, which has been just horrendous: has anyone decided to put together some sort of a line of approach or a plan or a strategy on how to deal with what types of assistance may be, beyond the emergency debit/credit card situations, available for those victims of this disaster, please?

Ms Larivee: Yeah. Thanks for the question. Certainly, again, providing support to people who, you know, have been impacted by disaster such as the fire in Fort McMurray requires a complex interaction of a variety of supports. Some pieces of those fall under the disaster recovery program, and others of those are addressed by other government programs. The disaster recovery program specifically is designed to address uninsurable costs associated with disasters.

Certainly, I continue to have conversations with a variety of other ministries across the GOA and continue to work with our partners, with the Red Cross in terms of addressing some of those and, also, talking to the federal government, advocating very strongly for additional supports from the disaster financial assistance arrangements program, the DFAA program, in terms of expanding scope and maybe dealing with the fact that the previous federal government may have reneged somewhat on their responsibility, from my perspective, for that.

Mr. Stier: Okay. But, Minister, if I may. I may not have been quite clear. In the case of a victim who has been evacuated and there is a loss and there is some sort of extra need, what I'm looking for is the mechanics. Who do they contact beyond the Red Cross? Will there be teams up there to talk to them about their particular case just as there were in High River when that happened? Will there be teams there to talk about what their insurance – I remember they had to show how much their insurance covered and how much the difference was between that and what they were seeking. What have you folks lined up in the way of some sort of a system to handle this, please? That's what I was looking for.

Ms Larivee: Right. Again, maybe I wasn't as clear as I could have been. In High River it was a combination, typically, of overland flooding and sewer backup, so a lot of the cases were 50 per cent, which is why there was a combination of insurance and DRP.

In the case of fire the loss of a home due to fire is insurable whereas overland flooding does not have reasonable access to insurance, a completely different scenario altogether. The DRP program specifically, for which I'm responsible, is designed to cover only uninsurable loss. That is what the DRP program does. The GOA as a whole will be continuing to have conversations along with our federal government partners, our municipal partners, and the Red Cross; however, strictly within the DRP program it's not designed to cover any kind of insurable loss.

Mr. Stier: Okay. So there won't be any teams there at either some of these evacuation centres or some of these other places for people to walk up to, as I saw in other situations, for them to get individual questions answered? I'm looking for the mechanics of

where the people go. How do they find out? That's what I'm looking for.

Ms Larivee: Right. Outside of the DRP program we do provide some long-term recovery dollars generally as part of our funding to communities such as Fort McMurray. As we develop a recovery plan with the regional municipality of Wood Buffalo, we'll work to ensure – regardless of where the funding might come from, we'll do the planning to ensure that they have access to mental health supports, to ensure that they can have an orderly restoration and that we help them to return. An example would be working together to ensure there's a welcome centre upon return to the community.

Mr. Stier: Okay. And that would be in the town, or that would be at the evacuation centres? Where would they access it?

Ms Larivee: In terms of the welcome centre that's something that the recovery team along with the regional emergency operations centre will come up with, a re-entry plan. So the re-entry plan we are together . . .

Mr. Stier: Okay. So you don't have a plan yet that you know of.

Ms Larivee: . . . working to develop. Fort McMurray is actually threatened to be under fire right now.

Mr. Stier: I understand that.

Ms Larivee: So our focus at this point is ensuring that the community is there for them to go home to.

Mr. Stier: Okay. So you haven't worked it out yet?

Ms Larivee: As we move forward with re-entry, we'll have the details to share with you.

Mr. Stier: Okay. That's where I was going. Thank you very much for that last one.

There are some people that were also evacuated from the camps. They weren't from the townsite itself as you know. We've had some reports as recently as even tonight where although it's been announced that if they've been evacuated, they will qualify for the credit/debit card assistance, we're finding that some people are not being allowed to qualify for that when they go to apply. Do you have any comments with respect to those situations, please?

Ms Larivee: Well, one of the comments I would have is that those cards are actually administered by Human Services. However, given the fact that it does touch on the disaster, I will touch on that.

Certainly, they are included in that criteria, and if they have any concerns, they can speak with us. We've had some concerns with some less-than-savoury activity around the cards as well. However, I also know that the staff have been very gracious and caring and are working, to be honest, on the side of generosity and not the other way.

Mr. Stier: I'm sure they have.

Ms Larivee: So we'll continue to do that. But also, I mean, if they have concerns, they can always come back and talk to a different staff member about that.

Mr. Stier: Okay. Very well.

Mr. Chair, I don't know how much time I have . . .

The Chair: Two minutes.

Mr. Stier: . . . but I was going to relinquish the rest of my time to my colleague David Hanson here, please.

The Chair: Okay.

Mr. Hanson: Thank you.

I'll have to be quick. I just need some clarification on a couple of things. Is there a plan in place to assist municipalities to recover unpaid linear and machinery tax due to company defaults?

Ms Larivee: That is not something that has ever been part of the budgeting. In terms of that, it's one of the risks that municipalities take.

Mr. Hanson: Okay. Well, it is happening, though, and with the downturn it could happen a lot more. Are there any . . .

Ms Larivee: Right. Certainly, there are tax dollars that we're not able to recover, you know, as a province as well.

Mr. Hanson: Okay. Thank you.

Ms Larivee: And we're working together on that.

Mr. Hanson: Then also – I'm running out of time here – just to clarify, you stated that the firefighting in the town of Fort McMurray was covered under Forestry. Are you absolutely sure about that?

Ms Larivee: Sorry. One second. I just was chatting. Just so you do know, though, the conversation around the tax recovery is something we have been talking to municipalities about. We don't have anything right now, but potentially we could have conversations around whether the MGA could be helpful with that. With it coming back in the fall, we can have ongoing conversations over the summer on that one.

My apologies. Can you ask the second question?

Mr. Hanson: The firefighting in the city of Fort McMurray. You said that that falls under Forestry. Are you absolutely sure of that?

Ms Larivee: Well, there are two different types of firefighters that are present in Fort McMurray. There are wildfire firefighters, which is under Forestry . . .

Mr. Hanson: Yeah. But you had stated earlier that all of the firefighting falls under the Forestry department. That's why you refused to answer the question of my colleague.

Ms Larivee: I think there was a specific question regarding the Flat Top recommendation, which does fall under Forestry, which is somewhat different. Actual structural firefighting is administered by, well, the regional municipality of Wood Buffalo's fire department. They did the structural firefighting along with . . .

Mr. Hanson: Once you've called the state of emergency, it now falls under the purview of the province, correct?

Ms Larivee: Well, there was authority delegated to Darby Allen in terms of decision-making within the regional emergency operations centre, so the actual power and decision-making was still located in the region.

Mr. Hanson: But the power actually – once you've stated that it's a provincial state of emergency, you take the jurisdiction . . .

The Chair: Thank you, hon. member, Minister.

Hon. members, the time allotted for this item of business has concluded. Members of the Standing Committee on Resource Stewardship, this meeting concludes the committee's consideration of the 2016-2017 main estimates.

Thank you, everyone. This meeting is adjourned.

[The committee adjourned at 10 p.m.]

