

Title: Thursday, September 30, 1993 Designated Subcommittee

Date: 1993/09/30

[Chairman: Mr. Magnus]

Time: 3:31 p.m.

MR. CHAIRMAN: Ladies and gentlemen, it's show time. It's 3:31. We have about an hour and a half left to go on these programs. Just so I can refresh your memories, we agreed to do program 1, which we finished; 7, which we are halfway through; program 9; into FIGA; and then everything else in sequential order going down through the list of the 14 programs, with capital left, if there's any time of course.

On my list right now I've got Mr. Collingwood and then Mr. Smith next. It would be round two for you, Dr. Percy, because you've already asked a question on this round.

DR. PERCY: Okay.

MR. COLLINGWOOD: All right. Thank you, Mr. Chairman. We're starting then for an hour and a half. Is that correct?

Mr. Premier, we're on program 7, I understand, so I'll refer you to that program in the summary by elements. My question, sir, is on the Public Service Commissioner's Office. I notice and of course you'll know, Mr. Premier, that recommendation 7 of the Auditor General in his '91-92 report is

that the Province consider using the expertise of the Public Service Commissioner to short-list suitably qualified candidates for appointments to the boards of all Provincial agencies and Crown-controlled organizations. The primary criterion for selection of candidates should be proven relevant expertise.

Mr. Premier, I noticed that in the estimates from '92-93 to the estimates for this year, '93-94, the budget for the Public Service Commissioner's Office is identical, to the dollar. I'm wondering if you could comment on whether or not the recommendation of the Auditor General is reflected in there. Either more is going to be done with the same amount of funds, or the recommendation may not be implemented this year.

MR. KLEIN: Well, my assumption is that more is going to be done with the same amount of funds. I can have the director elaborate.

MR. DIXON: That's correct. The people that would give us the assistance in this area is our executive search area, and that is under Classification and Staffing, Policy and Consulting branch. We can do it with the existing resources.

MR. COLLINGWOOD: Let me be a bit more direct, I guess. The question is: is the recommendation of the short-listing and the use of the criterion going to happen in this budget year coming up?

MR. DIXON: That's my understanding.

MR. KLEIN: It would have to, yes.

MR. COLLINGWOOD: We had talked, Mr. Premier, the last time we met – and perhaps just to pick up on a conversation you were having with Mr. Decore – about the kind of inventory that you've put together and the kind of openness in the process that's going to take place this year for appointments to significant boards and commissions. Have you, sir, since the last time we talked given any more thought to the structure and the process and the openness in the process?

MR. KLEIN: I have given it some thought, but I don't know exactly what the solution is. I know that Mr. Decore has alluded to the federal – whatever it's called.

MR. COLLINGWOOD: I think it's the yellow book.

MR. KLEIN: Yellow book. Certainly it's something I'd be willing to discuss with the PAO: how we get out to the public what positions are available and when appointments become due.

I understand, Vance, that they are advertised to some degree in the public service *Bulletin*?

MR. MacNICHOL: Yes.

MR. KLEIN: I'd be willing to work with the PAO and your leader to see if we can devise a mechanism. Unfortunately, there was none.

MR. COLLINGWOOD: Okay. Thank you. Those are my questions.

MR. CHAIRMAN: Thank you, Mr. Collingwood. Mr. Smith.

MR. SMITH: Thank you, Mr. Chairman. Program 7. First question on the group. I guess it will be two questions. We're operating with a \$9 million budget, which is down roughly 7 per cent, and we're dealing with between 2,000 and 3,000 less positions. We're indicating a strong need for changing the way we do business on a personnel basis. The first question: why then is this not down somewhere in the neighbourhood of 20 per cent? Why has it not been reduced to more accurately reflect a changed workload?

MR. KLEIN: Well, if anything, Mr. Chairman, the workload has increased. I find it quite remarkable that we're able to do the amount of work that the PAO is responsible for with a reduction of 9.5 per cent in the overall budget. I think it comes about as a result of Mr. Dixon's office finding new and better ways of doing things and streamlining his operations.

Perhaps Mr. Dixon could elaborate further.

MR. DIXON: We have undertaken a number of new initiatives, such things as total quality management, such things as giving support to the Reorganization Secretariat, to try and support departments in changing the way they do business. So there is in fact more challenge for us than there's ever been before. In addition to our normal workload, such things as collective bargaining continue on in the way they always did.

MR. SMITH: In light of a freeze on hiring or a substantially reduced hiring commitment, in program 7 in the element book vote 7.0.4 shows only a \$300,000 reduction. Again I would ask: is that number reflective of activity that would take place in classification and staffing, or does it include things other than strictly personnel classification and what I would consider hiring?

MR. DIXON: Well, there is far less outside hiring because we do have generally a freeze on except for a few positions, if necessary, to fill and go outside for. These resources, then, are reoriented toward redeployment objectives where departments are cutting positions, where employees have been provided position abolishment notices, and even before then the staff in this area tries to see if there are opportunities in other departments to move

people around within the system. So there is a different kind of demand for those resources.

MR. CHAIRMAN: Final question.

MR. SMITH: Within this system, is there any budget allocation for either this year or next year in the field of offering incentives or bonus structures for those employees who provide restructuring, reinventing solutions that can save us a substantial amount of money?

MR. KLEIN: I'll have Mr. Dixon elaborate. Certainly there has been some discussion relative to this approach, to provide incentives and/or bonuses for those who come up with ways to save the government money, as an overall part of service improvement, but to my knowledge nothing has been implemented.

MR. DIXON: Nothing has, and if it were, it would likely be financed within the individual departmental budgets.

MR. SMITH: Thank you.

MR. CHAIRMAN: I have one other possible speaker from the opposition side: Mr. Dalla-Longa. Otherwise, I have two more from the government side: Mr. Havelock and then Mrs. Gordon.

MR. DALLA-LONGA: I have no questions.

MR. CHAIRMAN: Mr. Havelock.

MR. HAVELOCK: My turn? Thank you, Mr. Chairman. Mr. Premier, it's been a topic that's been discussed quite extensively in the media of late: the need certainly for some public-sector workers to be looking at voluntary rollbacks, et cetera. One, I'd just like to get an understanding as to how our negotiations are going right now with the various public-sector employees – and I certainly appreciate that you can't disclose anything that's in confidence, but I'd like to get a better handle on that – and, secondly, some indication from you whether you think there are significant savings which could be achieved in that area.

MR. KLEIN: Well, naturally, any reduction in salaries is going to result in some savings. I guess what we're trying to do is to have the administrators and the administration of the various MUSH sector agencies have as their first line of attack the administration. There's no doubt about it. I've put out the challenge to the administrators of hospital boards, school boards, municipal councils, and college and university boards to look at their administration and take a good look at their own salaries in terms of what they can do to perhaps lower those salaries. Indeed, I think government has sort of blazed the trail, first of all, by rolling back all ministerial salaries by 5 per cent, by rolling back the salaries of senior administrators within government by 2 per cent, by reducing the size of our own administration, the size of our cabinet. We're basically saying that if sacrifices are to be made within the rank and file, then leadership has to be demonstrated at the top.

3:41

MR. HAVELOCK: The first supplement. I've been contacted by a large number of my constituents, a lot of whom are MUSH sector, frontline people who are out there working, and some of them are losing their positions. There seems to be a general sense out there that administration in a number of organizations is not

actually being cut significantly but that, rather, it's falling on the shoulders of the frontline workers. I'd point out one exception: certainly I think Calgary Foothills hospital has done a very good job of cutting throughout. The general sense I get is that that is not happening across the board. The attacks on middle management are not effective. What can be done to ensure that that is going to happen so that, for example in the hospital industry, the care givers are not the ones who are feeling the brunt of these cuts in the initial stages?

MR. CHAIRMAN: That's pretty philosophical. If the Premier wishes to answer it . . .

MR. KLEIN: Well, it's philosophical, and I guess this gets us to the point, first of all, of the amendment that was introduced to the Financial Administration Act to have the salaries disclosed. After all, these are taxpayers' dollars. Secondly, I guess it comes down to a question relative to the autonomy of these boards, authorities, and agencies to really run their own operations. I think all that government can do is to provide the leadership and to work with these agencies and say, "Look, let's have as our first line of attack the administration, the paperwork, the salaries of those in administrative positions before we go down into the line departments, the people who deliver the service, and ultimately the people who receive the service." I guess it's a mind-set as much as anything else. Unless there are dramatic legislative changes, we can't order the Foothills hospital or the university to lower salaries. We're just saying: do the right thing.

MR. HAVELOCK: I'm sorry; this might be philosophical again. It's the last one. I'll throw it in anyway, Mr. Premier. Are you reasonably pleased with the direction that these cuts have been taking thus far?

MR. KLEIN: Well, I have to be honest and say no. The reason I say no is that the Auditor General, who has done an examination of those boards, authorities, and agencies that directly report to government, has indicated in a report that was made public that he finds it disturbing – I think he used the word startling – that in fact there haven't been reductions and that in some cases there have been increases in salaries. I have to concur with him. That, indeed, is a startling revelation.

MR. CHAIRMAN: Thank you.
Mrs. Gordon.

MRS. GORDON: Mr. Premier, could you clarify for me what all is involved in the government's occupational health and safety program within this department?

MR. KLEIN: Everything? Well, Mr. Dixon can. I just don't have that kind of detail. I have sort of a broad understanding of what it's all about.

MR. DIXON: It's the core, government-wide occupational health and safety policy development program. It also provides assistance to departments with occupational hygiene and some occupational nursing assistance – very minor. It's primarily a policy, overall co-ordination mechanism. It also works very closely with the AUPE, with whom we have a very successful joint committee on occupational health and safety. This is an area we've had a very good working relationship with our union. Larger departments that have primary concern about occupational health and

safety do carry the operational part of the program. Ours is a policy.

MRS. GORDON: My supplementary would be: is staff development and training all done in-house?

MR. DIXON: Very little is done in-house. For staff development and training, our function is primarily one of brokering. Where there are common departmental needs for training, we try to assist departments to co-ordinate their interests, to go out to the market, either out to institutions or the private sector, and they provide the actual training and training facilities on the whole. So it's primarily a brokering role.

MRS. GORDON: Thank you.

MR. CHAIRMAN: Thank you, Mrs. Gordon.

I have two people who'd like to start the second round on program 7. Mr. Percy and then Mr. Pham.

DR. PERCY: Mr. Chairman, if you will indulge me one question, as the issue was raised. It's not philosophical, but it relates to previous comments by the Premier. It does relate to the issue of accountability as he addressed it. I guess the issue is that when accountability bumps into autonomy, might not the best way of addressing that and ensuring performance be through revising the specific Act, such as the Universities Act or the Technical Institutes Act, as opposed to having it in a sense done through an open-ended mechanism such as sections 5 and 7 of the Financial Administration Act? Nobody can question the need for disclosure and accountability. The philosophical issue is: what is the best vehicle, a blank cheque or the specific legislation dealing with the various entities?

MR. KLEIN: Well, it's an interesting comment. I guess you would then create the situation of perhaps heavier legislation applying to a university than would apply to a college. These people say: "Well, why do we have to operate under these rules? They don't have to abide by this particular regulation, yet we do." I just don't know what the answer is. It's an interesting . . .

DR. PERCY: It's the essence of the debate that's presently ongoing.

MR. KLEIN: That's right. It is the essence of the debate. I would suggest we could say that to the Legislature.

DR. PERCY: I just wanted to put it on the table.

My nonphilosophical direct question relates to the issue of privatization and personnel administration. Personnel administration is involved in a number of areas which are undertaken and provided by the private sector. There are many human resources firms out there, and they're very successful and very active. So my specific question is: have any studies been undertaken to assess to what extent some of the functions presently done by PAO could be done, in fact, by the private sector at a cost reduction?

MR. DIXON: We have over the years taken a look at a number of programs to see if they could be more appropriately handled by the private sector and have divested some. We had a nursing services component that had regional offices across Alberta that I think two years ago we privatized. Some time before that we had a temporary employment agency that we privatized. We try our

best not to compete at all with the private sector. The earlier question concerning training and development would be an example of that, where we are not in the business of running training programs; it's a brokerage role. There are lots of opportunities for private-sector human resource consultants and organizations to work with us and with departments, and they very often do. So it's something that we are continually assessing, and we are endeavouring to provide to the government a core support that does not compete with the private sector.

3:51

DR. PERCY: My final question has a bit of a preamble but not long enough to get the Speaker to cut me off. It relates to retraining. In fact, the PAO is involved in a number of programs. One that I know of that works very well and I think has an extremely good track record in terms of plotting the base of civil servants is the senior executive development program. In light of the fact that the provincial government is going to three-year business programs, are you now going to shift the focus of these types of training programs to teach civil servants how to think in terms of performance indicators and more a sort of business administration tilt as opposed to a broad-based general knowledge tilt of these programs?

MR. DIXON: Yes.

MR. MacNICHOL: It might refer to what happened this morning in that area where we are working right now with staff below the senior level, sort of a cross section through the civil service on ways to deal with that, and there are lots of good ideas coming from the employees themselves.

MR. KLEIN: The departments are certainly being encouraged to do this. All of them now are involved in strategic planning with their senior administrators, then working that down through the mid-management and to the employees. I know that we started it in Environment with three-day seminars with facilitators to bring out business plans for the year specifically, to next year in perhaps more general terms, the third year in less general terms, but to know where we're going and have follow-up to those sessions. So I think that overall we're very involved now in strategic planning.

DR. PERCY: I'd just close by saying, then, that seems to be a structure that lends itself ideally to a performance based rating on bonuses, once you've set that structure in place.

MR. KLEIN: Yeah.

MR. CHAIRMAN: I have Mr. Pham and Mr. Decore next. That's a fourth question, Dr. Percy.

DR. PERCY: It was a statement.

MR. CHAIRMAN: I was assuming you didn't want an answer. Mr. Pham and then Mr. Decore and then Mr. Smith.

MR. PHAM: Thank you, Mr. Chairman. The public perception is that the benefit plans for public employees are very rich. Those who deal with the public employees certainly do not think so. Can you give us a little overview, some idea of how much those benefit plans cost us and how they compare to the benefit plans of private companies?

MR. KLEIN: Well, I think overall the public service benefit plans are fairly generous. I don't know if they are overly generous in

comparison to some private-sector operations because I'm not privy to what those benefits specifically are. I imagine some companies give more generous benefits than others, but if there's one thing that I've heard from people both in the public sector and from without, it's that the benefit plans are something to be cherished and to be protected. I would suggest that they're somewhat better than the MLAs' benefit package at this particular time.

AN HON. MEMBER: Probably a good pension too.

MR. KLEIN: Right. Well, that's part of the benefit plan, isn't it? Certainly, you know, we have some general figures here: about \$45 million in benefits totally last year; \$6.6 million for group life; \$14.6 million for long-term disability; 15 and a half million dollars for dental; a little over \$8 million for extended medical care. Of course, the premium costs for many of these are split with our employees. So it's fairly generous.

MR. CHAIRMAN: First supplemental.

MR. PHAM: Having a computer background, I am very interested in the management information services that personnel administration is providing. What kind of program or what kind of software do you use, and do you develop those things in-house or do you buy them from other companies?

MR. DIXON: In the resource information systems?

MR. PHAM: Yeah.

MR. DECORE: From hospitals, Ralph.

MR. KLEIN: Pardon me?

MR. DECORE: From hospitals.

MR. DIXON: We're not competing with the private.

MR. KLEIN: There are tons, but I'd suggest it'd be a good idea to get out of this, Mr. Pham.

MR. DIXON: We do have an across-government human resource information system that provides fundamental common information to all the departments so that they have the same kind of information individually as we do centrally. We need the information for cost assessment and simply to keep track of the changes between departments. It's a common core internal system, but the province does develop additional systems as they may need them.

MR. PHAM: My last supplemental question is about job recruitment, job selection. I understand that the provincial government is an equal opportunity employer. What programs did we have, then, in the past to ensure that the practice of hiring and selecting people for jobs was fair and equitable?

MR. DIXON: We have reviewed all of our policies to ensure that there is no inherent bias toward any people that are applying for positions in the Alberta government. All of our recruitment selection people are professional people who are well aware of those policies and assist departments in making selection decisions.

We have also over the years developed programs to assist employees who want to improve their careers with us in particular. We've had programs for our female employees to train them

for management positions, to give them whatever assistance they think they might need to improve their ability to compete within the system. We also have our special placement program which assists disabled workers to obtain work experience with us, which may lead to employment with us or with other employers.

So those are some examples of how we ensure that we have equal employment opportunity for people that are looking for work with us or that work for us.

MR. CHAIRMAN: Thank you, Mr. Pham.

I've got Mr. Decore, then Mr. Smith, then Mr. Collingwood.

MR. DECORE: Mr. Dixon, which staff in PAO or what consultants out of PAO are being paid to work on privatization?

MR. DIXON: I don't think that I could identify any particular people that are being paid to work on privatization. There are a number of people working in different program areas who consider the implications of privatization as far as human resource policies are concerned. As I mentioned earlier, we ourselves look at our own programs to see which could lend themselves to privatization or which we are appropriately handling ourselves, but we don't have any individual focusing on privatization.

MR. DECORE: Mr. Premier, in your whole area of responsibility, out of the funds that you must be accountable for, are there any people or consultants being paid for privatization?

MR. KLEIN: No. PAO reports directly to me. Certainly if there are areas of privatization within specific ministries, then PAO will lend the resources of that department to that ministry to make sure that there is an orderly transition.

MR. DECORE: Does the name John Doesberg mean anything to you?

MR. KLEIN: Who? Doesn't mean a darn thing to me. No, sir. Can you tell me who he is?

MR. DECORE: This is a person who was supposed to be involved in some sort of privatization process with the government. If you don't know, Mr. Premier, could you find out and let me know in due course?

MR. KLEIN: John Doesberg?

MR. DECORE: Yes.

MR. CHAIRMAN: Thank you.

I have Mr. Smith, then Mr. Collingwood.

4:01

MR. SMITH: I'd like to ask you a question. How does the personnel administration function interface with the personnel functions in the other departments?

MR. KLEIN: Well, it's there ostensibly as a resource for virtually every ministry and every board, authority, or agency directly responsible to government.

Jim, perhaps you can elaborate.

MR. DIXON: We are the cross-government human resource office. Our primary responsibility is to provide policy advice to the Premier and cabinet and to deal with all those areas where

there are common cross-departmental needs. Such things as collective bargaining and those kinds of things we would be directly involved in. Executive search would be another area where we would provide some expertise. The department's primary role is to work with the management of the department in acquiring employees, working with them, advising them on how these programs should operate, and focusing on the operational side of the human resource business. That would be their role compared to ours.

MR. SMITH: Have you done any studies that roll up a cost of how much all personnel functions in government cost us and add it together with the PO to find out our total cost of working with people?

MR. DIXON: We don't have that information, but it could be easily done.

MR. MacNICHOL: It could be made available. Each department allots so many dollars for personnel matters, so it's a matter of adding them all up.

MR. SMITH: I see Health is \$2.5 million; Labour is \$741,000. I think it might be helpful information as a management tool.

MR. KLEIN: Well, it's all there. It's just a matter of getting a calculator or an adding machine.

MR. SMITH: A final supplemental. A brief preamble: when I was young, my father said, "Get a job in the government; it may not pay as well as everything else out there, but you'll get a better pension at the end." Subsequently, as this age-group went through in the force of collective bargaining and unions, not only did it have a good pension, but it had good benefit programs and it had salary increases that were part of the bargaining process. Now, in my opinion, I can turn to my children and say, "Please get a job with the government, because it not only pays well; it has great pension benefits."

MR. CHAIRMAN: Unless you're an MLA.

MR. SMITH: My question is: are there any studies out that relate what our pay and benefit envelope is relative to the risk of working in the private sector, in what can be somewhat similar circumstances, and trading off the risk portion of your employment?

MR. DIXON: It's a very difficult thing to judge how much that is worth. We certainly do ensure that we have survey information that includes private-sector organizations as well as public-sector organizations, but trying to judge what element of risk is involved is very difficult. In many large private-sector organizations I suppose the degree of risk varies between them and other organizations.

MR. KLEIN: Well, as Laurence knows, it varies with economic times. When we were mayors together and going through a tremendous downturn in the economy, I can recall for one platoon of fire fighters 3,000 applicants. Three years prior to that, in 1980 when the economy was super heated, we had to advertise in London, England, for fire fighters and police officers, because people were leaving in droves to take advantage of highly inflated private-sector salaries. Then when the crash came, of course

everyone wanted a government job, including a lot of those who'd left and wanted their jobs back.

I would say that it's a nice, stable kind of living. I don't say that facetiously, because I do believe, by and large, that public service employees are a dedicated and proud group of people. The ones who are really good are those who stuck through thick and thin, who didn't leave when times were good but stayed, knowing that they were getting paid far less than private-sector salaries. Now I guess we see a movement perhaps in the other direction, where public-sector salaries are slightly higher than those being paid in the private sector, but overall I think it balances itself out. At least I hope it would.

MR. CHAIRMAN: Thank you, Mr. Smith.
Mr. Collingwood.

MR. COLLINGWOOD: I'm sorry; I thought perhaps Mr. MacNichol was going to comment.

MR. MacNICHOL: There are three levels of government, and they sort of work together, but the other thing, you know, is that there is another monitoring device besides what the Premier says. It's the number of people that leave. In special groups there are still a lot of civil servants going to the private sector, which tells me that we're not that far out of line.

MR. COLLINGWOOD: Mr. Chairman, I'm going to be brief, because I know we want to move on to some of the other programs. Since I think I can ask questions within the program, I might skip around a little bit here.

The first question relates to line item 7.0.5. Just continuing on with Mr. MacNichol's comments that, yes, indeed people are leaving the public sector, I know we've seen a reduction here of virtually \$100,000 in the budget for Recruitment/Career Advertising. I guess my question to Mr. Dixon: is this just *The Bulletin*? If it is, isn't that still a significant – although relatively speaking it's not – amount of money for recruitment?

MR. DIXON: It is primarily *The Bulletin*. However, there is still occasional advertising of external jobs where it's absolutely necessary to fill them because there aren't internal resources, so there is some money available for that kind of advertising as well and occasionally general advertisements. But it's primarily *The Bulletin*.

MR. MacNICHOL: I think the other thing to add, Mr. Chairman, is that with the downsizing, it costs to advise other departments. If there are vacancies in different departments, we let everybody in the public service know that there are jobs coming up in department X, so that's part of it.

MR. COLLINGWOOD: Okay.

On program 7, Mr. Chairman, the capital investment, the amount budgeted for is again \$123,000; last year it was also \$123,000. I believe the actual was about \$145,000 on the capital investment. My question is, I guess, if you can allay my concerns that perhaps that number might again be underbudgeted and what exactly that \$123,000 budget is for.

MR. DIXON: It is primarily to ensure that all the employees in our office who need to have the support of microcomputers do so, and we have tried to do that over a number of years. Last year we were able to obtain that objective a little more quickly, because we did shift some money to do it. We're not at the point of having

everyone who should have that kind of support so equipped, and it's the plan to do so this year. There is also some money there for purchasing occupational health and safety monitoring equipment.

MR. COLLINGWOOD: Final question, Mr. Chairman, on the PAO revolving fund, estimated revenues from employee training of \$794,935. A simple question to Mr. Dixon or the Premier: what's the source of those revenues on employee training?

MR. DIXON: The source is the training programs that have been developed and are run on a regular basis. The departments are charged for those. It's a charge-back system, and the money flows back, then, to the people that deliver the programs.

MR. COLLINGWOOD: Thank you.

4:11

MR. CHAIRMAN: I have no other speakers or questions on this round. Does anybody wish to go to a third round on this one, or shall we go to program 9?

We're on program 9, which of course is Public Affairs.

MR. DALLA-LONGA: Am I first?

MR. CHAIRMAN: You're the first. You're the first person to say anything.

MR. DALLA-LONGA: As I go to the subprogram, I'm looking at Communications Planning. It has a budget this year of \$527,000; last year, \$528,000; and the previous year it was \$107,000. So going from '91-92 to '92-93, it increased by about 390 per cent. I was wondering if you could maybe comment on what your original purpose was for the communications planning division and when was it set up.

MR. KLEIN: Linda?

MS SINGLETON: The purpose of the communications planning section was to provide co-ordination, to get some additional efficiencies, improved efficiencies, in co-ordinating communications across government, particularly if the initial programming initiative is in more than one area. We found that that provides some good, effective co-ordination, as well as some of the central areas such as certain activities in advertising, that that would be a good centralized function for horizontal communication across government. It was set up with that purpose.

MR. DALLA-LONGA: Well, did it change its mandate, or what was the reason for the cost increase in '92-93?

MS SINGLETON: Oh, I'm sorry.

MR. KLEIN: I'm sorry, I don't see this . . .

MR. MacNICHOL: He's going back another year, Mr. Premier.

MR. KLEIN: Oh, okay. All right.

MS SINGLETON: There wasn't an increase in the overall budget for the Public Affairs Bureau. It was in other areas where we had the same costs that we were able to use some of those dollars to set up more of a co-ordinated function within the Public Affairs Bureau. I wouldn't say no, it didn't change its mandate. It was

just a better way of doing business, and it's part of our improvement activities.

MR. DALLA-LONGA: Well, my question is: what might have improved its way of . . .

MR. MacNICHOL: I think I can answer that, Mr. Chairman. I think what the hon. member is looking for is that – I've been in the departments before. They're providing services to the departments that we used to provide ourselves. You know, say I was in the department of environment or I was in another department. Some of the functions they're doing now, we used to do. When you add them all together, it's better for this group to do it. It's cheaper, rather than each department going out and doing their own thing.

MR. DALLA-LONGA: Are you saying that's why there was the . . .

MR. MacNICHOL: That's right. That was the big change, and it's not a commercial, but they're giving us better service than they used to. It's the co-ordinating, what we're all doing in government, and Linda wasn't there at that time.

MS SINGLETON: That's right, and of course it's part of the restructuring.

MR. CHAIRMAN: Second supplementary.

MR. DALLA-LONGA: Well, could you maybe just give us a quick breakdown of the \$528,000-odd; like staff, for example?

MS SINGLETON: Sure. We have five permanent positions in that area, and the majority is attributed to staff, about 60 per cent. Also within that area there is the contracting we do. We do outsource if we get special requests for writing, particularly specialized writing, rather than staffing up. For peak periods we outsource where it is appropriate. Also, some of the media-monitoring clipping service we outsource as well, so there's the contract dollars there. We provide that co-ordination – cross-government communications and specialized writing, editorial services, co-ordination around advertising – and truly it's part of the restructuring.

MR. CHAIRMAN: Thank you.

I have Mrs. Gordon, Mr. Percy, Mr. Pham.

MRS. GORDON: The Public Affairs Bureau 1993-94 budget has decreased by 9.3 per cent from '92-93. Given this, why are the actual expenditures for '92-93 \$586,000 higher than the estimate?

MR. KLEIN: That was just answered.

MR. DALLA-LONGA: I think she's asking the whole department.

MR. KLEIN: Well, maybe. Okay.

MS SINGLETON: You're right. There was an increase when we compared the budget with the actual. That was a one-time overexpenditure due to the communication around the constitutional referendum last fall. That was a special expenditure.

MRS. GORDON: Thank you.

Does the Public Affairs Bureau sell services? Is there any revenue generated?

MS SINGLETON: We do. We do generate revenue, a little over a million dollars, and I think this year we're projecting about \$1.15 million. That goes into the general revenue fund, and that is due to selling of statutes and Acts.

MR. MacNICHOL: The Queen's Printer.

MS SINGLETON: That's right.

MR. CHAIRMAN: Second supplemental.

MRS. GORDON: I was wondering what services the Public Affairs Bureau has privatized in recent years.

MS SINGLETON: Over the last few years we've continued to privatize or assess the businesses we should be in, we should be out of. About two years ago, one of the first businesses we got out of was the photo lab exhibits, the photographers on staff and the warehousing. We continue to assess the businesses we should or should not be in, and those are some of the ones we've been stepping away from.

MR. CHAIRMAN: Thank you.
Mr. Percy and Mr. Pham.

DR. PERCY: Thank you, Mr. Chairman. Could you tell me what the expenditure is that is made on polling services, and how were they conducted through time? Specifically, what was the number of polls taken prior to June 15? Have all of them been released?

MS SINGLETON: There was one conducted this spring in March. There were two conducted the prior year and one was conducted prior to that. Also, we did conduct some around the constitutional referendum last fall as a special one time only. There have been four of what we would call overall government benchmark surveys for public opinion, and the last one, the one conducted in March, was released this summer upon request.

DR. PERCY: Is there a general policy in place in terms of the public disclosure of those polls within a certain period of time, or must one know in advance that the poll exists, then request it?

MS SINGLETON: There is no official policy on releasing or not releasing that I'm aware of. It had not been released in the past, and with this new government it was released upon request.

DR. PERCY: Would it not be useful, then, to have a policy such that within, say, a quarter or three or four months all polls that are undertaken by Public Affairs are released automatically? The point I would make is that if you don't know it's there, it's very hard to ask for it.

MR. KLEIN: Well, it's a matter of policy, and I can see no reason why not, because these polls, as Linda pointed out, are really to get public attitudes on issues: where the government is going, what's important to people.

MR. DECORE: Is that a commitment, Ralph?

MR. KLEIN: Well, I have no problems.

MR. CHAIRMAN: Is this going to be counted as one of your questions, Mr. Decore?

MR. DECORE: Yes.

MS SINGLETON: I think we'd take it under very serious consideration.

MR. KLEIN: Actually, I can take it to my caucus, you know. I know that you aren't here for questioning, but how much of your research budget do you use for polling?

4:21

MR. DECORE: None.

MR. KLEIN: Absolutely none?

MR. DECORE: Zero. We use political funds for that, never caucus funds.

MR. KLEIN: Yes, but government surely has to know what public attitudes are relative to programs and so on. We would try to stay away, of course, from purely political things.

MR. CHAIRMAN: Ladies and gentlemen, we're definitely way out of order.

I have Mr. Pham next, please.

MR. PHAM: Thank you, Mr. Chairman. Being a rookie MLA, this question may sound really stupid. Why do individual departments have a communications budget when the bureau already spends \$10.7 million on government communications?

MS SINGLETON: The bureau seconds communications professionals to the departments. Communications professionals report and are paid by the bureau. They work on site with the client departments. However, the funds or the costs for communications programs and communications initiatives that are directly attributable to that department are paid by the department. So we supply the resource, the people, and the other funds are supplied by the departments.

MR. PHAM: My supplemental question is: can you go into a little bit more detail on exactly how we spend that \$10.7 million, what programs we are doing?

MS SINGLETON: Yes. A little over 40 per cent of the \$10.7 million budget is for communications staff, for the communications planning group that we just talked about, co-ordination and execution of government communications programs, which would include the staff in the field working with the departments. Twenty-two per cent is for the RITE system, the operators for the government telephone system around Alberta; about 10 per cent for producing and selling the legislative material; 14 per cent for purchasing advertising, the print, graphic design, audiovisual products, on behalf of government departments; and about 10 per cent for administration functions, the overall finance, human resources, and the computer systems that are needed to assist and support the bureau.

MR. PHAM: My last question. We are trying to privatize wherever we can. In some of the areas we are doing polling. Why do we have to do that? Why can't we hire someone to do it for us and privatize that?

MS SINGLETON: Actually, we do hire out for public opinion research. We manage and control obviously, as we would, the consultancy and the direction the government needs, but we do outsource it to a research company. Now, we outsource, which is different from privatization. We've never done it internally, so we didn't have to privatize it.

MR. PHAM: Before when you said you were doing polling, I thought we do it on our own.

MS SINGLETON: No. We co-ordinate it, direct it.

MR. CHAIRMAN: Thank you.

Mr. Collingwood, and then Mr. Havelock.

MR. COLLINGWOOD: I think Mr. Decore was . . .

MR. DECORE: Well, the Premier isn't here, Mr. Chairman. I have a couple more questions on polling, but they relate more to the policy, end that the Premier really has to answer.

MR. CHAIRMAN: I have Mr. Collingwood next on my list anyway.

MR. DECORE: I think what we've agreed is that I'll wait until he's back, and we can come back and ask that question on polling. Let's move on to the next. It's FIGA, I think.

MR. CHAIRMAN: I'm sorry. What was your suggestion again?

MR. COLLINGWOOD: You have how many on your list now for this program?

MR. CHAIRMAN: I have three from the government side and two from the opposition side.

MR. COLLINGWOOD: My questions, Mr. Chairman, were essentially the same as Mr. Pham's, so I was going to give Mr. Decore an opportunity. But he wanted to ask his questions to the Premier, who's not here at the moment.

MR. PHAM: Probably one of us can ask questions.

MR. CHAIRMAN: Yeah. We've got more on this side anyway, so why don't we just head for this side, get rid of one or two, and hopefully he'll be back momentarily. He didn't mention how long he'd be gone. I assume it's very brief.

Mr. Havelock.

And would you like to stay on the list Mr. Collingwood?

MR. COLLINGWOOD: No; that's okay.

MR. HAVELOCK: I assume you can answer this. I'm looking at the Summary by Element, program 9.0.1. I want to understand what Administrative Services is, and then I'll ask some questions on that.

MS SINGLETON: Okay. The administrative services area is made up of three permanent positions. It includes my office, the managing director's office of human resources; administration; and our computer systems.

MR. HAVELOCK: Sorry; so it's . . .

MS SINGLETON: Thirteen positions.

MR. HAVELOCK: Oh, it's 13 positions. Okay.

Again, getting back to the theme I mentioned earlier about trying to cut at the administrative level. I'm looking at the reduction, and I guess it's around \$20,000 over the comparable '92-93 estimates, which is a little less than 2 per cent. From my perspective, I would have hoped in that type of area we were looking at higher reductions, and I'm wondering what types of reductions you have planned for the future to try and get that in line with the 5 to 10 to 15 per cent area we've been talking about.

MS SINGLETON: Actually, I have streamlined that particular area, and that'll be ongoing. We did have some people who left under the severance program. In fact, my executive committee people reporting to me now are fewer than before. So that is an ongoing commitment to improve our efficiencies over time, and we would hope to continue the decrease.

MR. HAVELOCK: Well, if you had that type of reduction . . . I know I have only one question left. It sounds like you reduced some positions. I'd like to know what the number was, and, if you did, then why was the reduction only \$20,000 over last year?

MR. DECORE: That's two, Jon.

MR. HAVELOCK: Pardon me.

MR. DECORE: That's two questions.

MS SINGLETON: The severance payments are involved, where payments have to be made out. There was a streamlining of services, a deletion of one particular position, but those payments we paid out through the severance program.

MR. MacNICHOL: Just to add, Mr. Chairman, the savings will show up next year.

MR. CHAIRMAN: Thank you, Mr. Havelock.
Mr. Decore.

MR. DECORE: Mr. Chairman, in view of the time, I think I'm going to just ask the Premier privately. I'd like to go into FIGA, if we could.

MR. CHAIRMAN: I have two more questions from the government side, Mr. Decore.
Mr. Woloshyn.

MR. WOLOSHYN: Linda, probably more to you. This is a Public Affairs Bureau. What benefits can the public expect to get from your operation?

MS SINGLETON: Well, I guess I'd have to say that information, communicating with Albertans, that dialogue, is more important now than it's ever been before. It's information to the public – what they need, what they want – and also information and feedback from the public. I hope we would be more accessible, more receptive, more responsive as we go along and get better at communicating. That's really what I would say government mainly is about, communicating with its public, so the benefit is, I guess, better and more improved communication and better information programs along the communications line.

MR. WOLOSHYN: With the significant rearranging of the government and the downsizing of cabinet and subsequent effects on the departments under them, what has the effect been on your department with those changes in other government departments?

MS SINGLETON: We certainly respond and mirror the changes in government, and we have had a significant downsizing in our positions over the last couple of years, about 40 positions. When I first came here, we had 230. Now we have 188. That is reflecting the reduced size of government as well as stepping out of other businesses. We will continue to do that and say our organization is a central service organization which should reflect the changes within government, and we will always change because of it.

MR. WOLOSHYN: Are we getting near to the point where your service to the public – because this is what you are – will it be jeopardized? How much further can you downsize before your function goes into jeopardy?

4:31

MS SINGLETON: Well, I think sometimes we feel we're close, but there are always ways of improving and becoming more efficient. I don't see right now a threat to service. We're able to provide improved service, better service. Government's getting smaller, so I see no jeopardy in our service at this particular point. I think we're coming close at times, but there are always different ways. We're going to be looking, for instance, at modernizing the RITE system. It performs a very valid function for the public, but we want to be looking at improving that as well. So our service, we hope, will continue to improve.

MR. CHAIRMAN: Thank you, Mr. Woloshyn.
Mr. Smith.

MR. SMITH: In light of all the public affairs employees, they're, if you will, seeded throughout various departments with the purpose of supporting each department. Do they report to you from a line standpoint, or are you a staff support function?

MS SINGLETON: We report to the bureau as bureau employees; we also report to the deputy of the department. We are able to provide counsel and professional development and be there to also help co-ordinate some of the issues and communications initiatives that go across government. So they are direct bureau employees seconded, working for the client departments in the department. It gives us some flexibility too. When government changes and does downsize, we're able to place employees and to continue the professional communications community for this government.

MR. SMITH: And far more efficient than the last system, from what I understand.

Have you undergone a study on overhauling the RITE system, and will you, in some time frame which I'd like you to give us if you can, be prepared to reflect modern technology in it?

MS SINGLETON: Yes, we have actually looked at the RITE system. We did commission a study about two years ago because there was a question: is the RITE system efficient and effective; should it be privatized? The result of that study is that given the infrastructures there, for the value it is very efficient and it is very effective. In fact, other governments are wondering how we can do it at the cost we can. Certainly it's because the infrastructure is there. Given that, we still will be continuing to look at how it

can and should deliver a better and modernized system, and it is part of our three-year business plan to look at that and bring it into the next level of technology. It would be part of our three-year business plan. I could say three years.

MR. SMITH: Gotcha. Okay.

The final question is: do you use the production facilities of Access television studios or radio facilities, and if you do, do you pay them for it?

MS SINGLETON: Directly as a bureau, unless there's anything in particular departments through their own budget, no, we have not, to my knowledge.

MR. CHAIRMAN: Thank you, Mr. Smith.

I have no other questions on this round, so unless you want to go to a second round on this one, we'll move to FIGA. Mr. Decore is first.

MR. DECORE: This is FIGA now, Mr. Chairman?

I'd like to ask Mrs. Lennie to provide us with a list of people who are in her department or paid out of her department who are not public servants, the list to indicate the names and the moneys that those people are earning. Could you provide that?

MRS. LENNIE: Is that some time in the future?

MR. DECORE: Do you have it now?

MRS. LENNIE: I don't have it with me now.

MR. DECORE: If she undertakes to provide that, that will be fine, Mr. Chairman.

MR. CHAIRMAN: Thank you, Mr. Decore. You have two sups.

MR. DECORE: Yes. The first sup is for Mrs. Lennie to give me the particulars of the arrangement that FIGA has with Messrs. Oldring and Horsman.

MR. CHAIRMAN: I would remind members of the committee that questions should be directed through the Premier, and then he can direct the question.

MR. KLEIN: With Mr. Horsman, he is under contract, but I'm not sure; is it FIGA?

MRS. LENNIE: Yes.

MR. KLEIN: Yes, it is FIGA. Right. He is under contract with FIGA to conclude negotiations relative to interprovincial trade barriers. He is there because he is certainly very well qualified, having been involved in those issues as a minister of FIGA.

MR. DECORE: Maybe the Premier didn't hear my question. All I wanted were the particulars of his contract, Mr. Premier.

MR. KLEIN: The particulars of his contract are – I'm not sure how many days he has to complete it, but it's \$90,000 total, out of which basically he's responsible for his expenses and so on.

MRS. LENNIE: Just to add to that, it's for the next period until the comprehensive negotiations on internal trade barriers are to be concluded. Right now the schedule for conclusion is July 1, 1994.

MR. DECORE: Well, Mr. Chairman, maybe I could speed this one up too. The particulars I wanted are the contract: the benefits, the pay, and so on. If the Premier agrees to just provide that to me in due course, that would be enough.

MR. KLEIN: Yes. You have it as a motion for a return, and we've accepted that. Right?

MR. DECORE: Okay. All of the details of that contract, Mr. Premier?

MR. KLEIN: I'm not preparing the motion for a return, but I'll certainly get you as much as we possibly can.

MR. DECORE: The last question I have, Mr. Chairman, is for Mrs. Lennie to explain to me how, amongst all of the people who are experts in this area, she decided to hire specifically Mr. Horsman.

MR. KLEIN: Well, I don't think that was entirely Oryssia's decision. Certainly if you talk to the chairman of the commission, he quite specifically asked for Mr. Horsman.

MR. MacNICHOL: Other provinces did too.

MR. KLEIN: Other provinces indicated their support for Mr. Horsman because he had been involved in that process. I think he is a very effective negotiator, notwithstanding the fact that he's a former minister and MLA. He was very involved.

MR. DECORE: So it was your decision?

MR. KLEIN: It was as much my decision as anyone else's, absolutely, as the minister.

MR. CHAIRMAN: Thank you, Mr. Decore.
Mr. Smith, then Dr. Percy, then Mr. Pham.

MR. SMITH: Yes. I'd like to ask the Premier about the Ottawa office that we've had for I think about 11 or 12 years now. How much are we paying the staff there – basically a breakdown of employees, cost of operation.

MRS. LENNIE: There are four staff in the Ottawa office under the FIGA budget: the director of the Ottawa office, who is John Jacobson; a researcher; a researcher and administrative person combined; and a support person. There's also a part-time economic development consultant. The '93-94 total cost for the office is \$487,000. The FIGA budget portion is just the operational costs. The operating budget is \$326,000. The other costs are related to the office lease and the utilities and the residence lease and utilities. The staffing is comparable to that of the western provinces, certainly British Columbia and Manitoba. British Columbia has six; Manitoba has four. The budgets are comparable though B.C.'s is somewhat higher. Ontario and Quebec have larger staffs and larger budgets.

I can't remember if you asked me about the purpose of the office.

MR. SMITH: Go ahead.

MRS. LENNIE: Okay. The purpose of the office is really to act as Alberta's eyes and ears in Ottawa. It provides an early warning system and gives us tremendous intelligence on what's happening,

what's developing in Ottawa, and a jump on some of the documents that are tabled. We get them before we would in the regular course of things. We also are in contact with all of the Alberta MPs through our Ottawa office to advise them of Alberta's position in relation to federal policies that might affect provincial responsibilities.

Increasingly other departments in the Alberta government are asking our Ottawa office staff to represent them at meetings in that Ottawa-Toronto-Montreal corridor. As well, the private sector and the cities are using our office. I know that this morning, for example, Economic Development Edmonton was using our offices and the services of the staff there for meetings that they have in the Ottawa area to promote business.

4:41

MR. SMITH: Thank you very much, Oryssia.

MR. CHAIRMAN: First sup?

MR. SMITH: Protocol, program 1, line item 4: \$573,000 in 1992-93, \$573,000 in 1993-94. I know there have been changes in the protocol office in Calgary. I think we're operating in a bit of a less regal society. I would like an explanation as to why the amount remains consistent and not cut down correspondingly with the intent of our budget reductions.

MR. KLEIN: It's a matter of doing more with the same. I don't think it's a lavish protocol function that we have within the government of Alberta. Just before coming here, I greeted the ambassador to Canada from Japan. Certainly there's a certain amount of hosting that is required relative to his visit. That goes for dignitaries, of course, from other countries and heads of state. You're expected to do these things. I think that to do otherwise would be a very serious breach of protocol, and it would be noted in international circles.

MR. MacNICHOL: Mr. Chairman, the demand this year is just so much different than it was in previous years. There are so many countries that now want to come and talk to us in Alberta. It's overwhelming.

MR. KLEIN: It's a good sign, yes.

MR. SMITH: It's low taxes, no sales tax.

MR. MacNICHOL: It is. It's a fact that we can document them. It's three or four times what it normally was.

MR. SMITH: That might be information enough.

Just as a sign-off to that, coming up here as a rookie, as Mr. Pham, I was led to believe that this was the hosting and toasting department, and a protocol budget of less than 10 per cent of your total budget I guess is reflective that it has a fairly strong business mission.

Last question, I guess, on the same line: Former Minister's Office. Again this is probably just because of my newness here. If you have a former minister and he's not there anymore and he's doing something else, why do we still have to spend \$185,000 on it?

MR. MacNICHOL: It's the first part of the fiscal year. It's April 1 to the end of June.

MRS. LENNIE: As well, there's a staff of 5.5 FTEs in there, so it's a payment for that staff for that first part of the fiscal year as

well as severance payments for a number of them. The savings will show up in next year's budget.

MR. SMITH: Thank you very much.

MR. CHAIRMAN: Thank you, Mr. Smith.

Dr. Percy, then Mr. Pham.

DR. PERCY: Mr. Premier, my questions relate to the role of FIGA in negotiations both with regard to NAFTA and with regard to our immigration regulations. With regard to NAFTA – parenthetically, I am a very strong supporter of NAFTA – has FIGA undertaken studies that assess by sector the benefits to Alberta through time, and if so, will FIGA release that study?

MR. KLEIN: This kind of work is done not only by FIGA but through Economic Development and Tourism as well. Oryssia, maybe you can expand. Some work has been done.

MRS. LENNIE: Some work has been done. The Nichols study was released last February and talked about the benefits of NAFTA, concluding that they would be generally positive. There are no other studies right now being commissioned by us.

DR. PERCY: To follow up on that, I guess as my second: subsequent to the Nichols study, there have been the side agreements that have been discussed, which perhaps are very, very close to being nontariff barriers with a lot of applicability for harassing Canadian, particularly Albertan, firms in energy, for example.

MR. KLEIN: You mean through environment?

DR. PERCY: Through environment. I mean, there is a real concern there, I think.

Have studies been undertaken and assurances derived from the federal government that there is no scope whatsoever for these side agreements to act as a nontariff barrier?

MR. KLEIN: Well, I would say that there has been an assessment, and I can have Oryssia give you some details relative to that assessment, but I'm not aware of a detailed study.

MRS. LENNIE: We've worked very closely, and I have to say that in this round the federal government actually was very good in recognizing that in most of the responsibilities that would fall under the side deals – something like 93 per cent of labour and a large chunk of the environment responsibilities would fall under the mutual responsibility – the federal government involved the provinces very closely in the negotiations. We insisted all the way through, Alberta took a lead role in insisting, that it could not impinge on the jurisdiction of the provinces, that they had to involve us, and that ultimately we would have to have the option of whether we were going to sign on or not. Now that the side deals have been reached, the province is undergoing a thorough assessment of what sort of implementation is expected of those side deals from the province's side. Once we have that assessment, we'll have a sense of knowing whether the province will decide to participate or not.

DR. PERCY: My third question – and I will continue in this vein and will leave the other for perhaps another round – is that it appears there is far less information being released by both the federal and provincial governments with respect to NAFTA than there was with regards to the bilateral free trade agreement, and

the province seems to be contributing to this. Can there be a commitment made that there will be more information released about the potential implications of these side agreements so that they can be assessed by the public at large rather than just government and bureaucrats therein?

MR. KLEIN: Well, as Mrs. Lennie pointed out, we're in the process of doing that assessment right now relative to the side agreements. I guess one of the reasons there is probably less information coming out now relative to NAFTA as opposed to the Canada/U.S. free trade agreement is that we really don't have a handle on the Mexican situation. You know, we really don't know what the impact is going to be relative to specific products, and that assessment is going to have to be done first by the federal government. Then we are going to have to participate, perhaps unilaterally, with the federal government, as we did with environmental assessment and as we did with the conference we had with senior government officials about three or four months ago.

Oryssia, do you have anything to add?

MRS. LENNIE: No.

MR. KLEIN: But we'll do that assessment as quickly as we possibly can.

DR. PERCY: This is a statement with a hook on it: will these be released?

MR. KLEIN: Well, I don't see any reason why they wouldn't be released. I mean, this is a matter, it seems to me, of public policy. Certainly, like you, Mike, our government is very supportive as well of NAFTA, so I think we want to get out everything that we possibly can relative to Alberta's position with respect to not only the side agreements, but the agreement itself.

DR. PERCY: Thank you.

MR. CHAIRMAN: Thank you, Dr. Percy.

Mr. Pham.

4:51

MR. PHAM: Thank you, Mr. Chairman. My brief statement before I go into the question: I have had the opportunity to work with the protocol office, and the staff there are very, very helpful, especially Mr. Rory Campbell. I'd just like to pass that comment on to you. The role of your office I know is very important, because as we try to promote Alberta, the protocol office will be the door for all the people to see us and to come here and to do business with us. So I commend you on the very good job you have done so far. Keep up the good work.

My question to the Premier is: you are going to take a trip to Asia at the end of this month. What is the purpose of that trip, Mr. Premier?

MR. KLEIN: Well there are many purposes to the trip. The overall purpose is to sell Alberta, to seek out opportunities for export of Alberta products, and to encourage investors from various Far East countries to invest in this province, particularly in the areas of agriculture, energy, to some degree forestry, medicine, transportation. We have identified a number of areas where Alberta companies are doing business in places like Japan, Korea, Hong Kong, China, Taiwan. We have identified and a number of companies have come to us and indicated that they're bidding on projects in many of these countries. Of course, if

they're successful, that will involve Alberta engineers and perhaps Alberta products. I think it's very important that we participate with the private sector in promoting Alberta and Alberta products, both from an investment point of view and from an export point of view.

MR. PHAM: How much will this trip cost us, Mr. Premier?

MR. KLEIN: Well I don't know. We're trying to make it as small as possible. In other words, there won't be a huge entourage, maybe five or six people at the most. Certainly those who will be participating with us in the various countries have been advised that they will have to find their own way over there, meet us there, make sure all the groundwork is laid and so on, so as not to tax so much our resources. In other words, this is being done with the full participation of the private sector and at their cost. The cost to the province will simply be the travel and the incidental expenses of those who are traveling on behalf of the government. We are going to try to make that delegation as small as possible.

MR. PHAM: Item 1.0.6, Translation Bureau. Whenever you go abroad, I think you have to have some translation, and it looks like you have no budget for the translation bureau at all. Are you shutting it down, or are you going to speak?

MR. KLEIN: Are you looking for a trip?

MRS. LENNIE: The translation bureau has not disappeared. It's just that there's such a small cost because the function of the translation bureau has changed so significantly. It used to be a full-fledged translation bureau with translators. Over the last few years we've phased it down to being a broker kind of function. There are only two staff. What they do is broker interpretation/translation contracts for all Alberta government departments as well as ourselves to get quality translation/interpretation done with some standards. It is included in our budget; it's just been rolled into the Conferences and Missions component. It is approximately the same amount as it was in previous years, but it's just been rolled into the Conferences and Missions element because it is such a small function now.

MR. PHAM: Thank you.

MR. CHAIRMAN: Thank you.

Actually, we've got about three minutes left. I've got Mr. Collingwood, and the rest won't matter, I don't believe.

MR. COLLINGWOOD: All right. Mr. Chairman, in terms of the time we've got, I may only ask the one question, and we'll see about the supplementary.

Mr. Premier, looking at line item 1.0.3, I recall that after your victory in the leadership race in your party, Mr. Elzinga was appointed Deputy Premier and also responsible for FIGA. I recall him making a public statement that he was pleased to get FIGA because the pressure was off, as it were, in terms of the referendum that had occurred the year before. In looking at 1992-93 and '93-94, in fact from the actual we're up somewhat in the '93-94 estimates. My assumption, Mr. Premier, is that that number would have declined significantly, having gone through the referendum process, and it hasn't. My question to you is: why not?

MR. KLEIN: Well, certainly a lot of the expenditures relative to the Constitution were ongoing and stretched over a period of a

number of years. As you will note, the operating budget is down somewhat. Relative to the specifics, I'll have Oryssia explain.

MRS. LENNIE: That's right. There is a slight increase from the actuals of about \$30,000. Now, you mentioned the constitutional discussions. Much of that expenditure was under Conferences and Missions, and you'll see a drastic drop in our Conferences and Missions budget because of the heavy scheduling of conferences on the constitutional side.

But the other thing that's happened is on the intergovernmental side. We've picked up the responsibility for internal trade barriers, which wasn't there last year. That really began in full swing in June, although there were some preliminary discussions earlier in the spring. That is a very comprehensive process. We haven't hired new staff with that. We've basically reallocated responsibilities within the department, but there are some additional operational costs on the travel side and also with the studies and eventually public consultation processes.

MR. KLEIN: If I can be so bold as to assume what Mr. Elzinga was saying, I don't think that he was saying that the pressure being off would necessarily result in a significant decrease in expenditures. What he was saying is that the political pressure was off. I know the tremendous pressure that Mr. Horsman was under, you know, in trying to keep the roundtables together and conducting the public input process. There was just tremendous political pressure, and also there was pressure from external forces to have him change his position. As you know, there was a very strong No force; they won. You can imagine the pressures that were on the minister at that time to get this government off the Yes position.

MR. COLLINGWOOD: Mr. Chairman, my assumption was that FIGA was very active last year because of the constitutional referendum and may not have been this year, specifically at line item 1.0.3, so your comment on the internal trade barriers.

MR. CHAIRMAN: Mrs. Lennie, would you like to add something? We're pretty much out of time.

MRS. LENNIE: Could I just add that there's a lot more in the Intergovernmental Affairs element than internal trade barriers. There are intergovernmental negotiations across the board. Much of that work stopped last year with the constitutional discussions, and I think many Premiers have said that unfortunately, some of the other things weren't dealt with on the economic side. Those discussions have begun again now that that phase is over with.

MR. COLLINGWOOD: Thank you for your indulgence, Mr. Chairman.

MR. CHAIRMAN: Members of the committee and the administration and Mr. Premier, I would like to say that I appreciate that the second half of this four-hour session was certainly less fractious and somewhat more amiable, if I might add.

MR. DECORE: That's because you are improving, Mr. Chairman.

MR. CHAIRMAN: I would like to thank the Premier and the administration for their indulgence and their openness.

I would like to point out one other little thing here. When we went through the Standing Orders, we had agreed to review five departments. In the spirit of that new co-operation that our government – and that includes the opposition members as well –

seems to be going through, we actually went to, in a strange sort of a way, another budget by agreeing to do the FIGA budget, so I would like to say thank you to everybody involved. As I say, the spirit of co-operation has been vastly improved over the first half of this meeting, so again thank you to the administration and yourself, Mr. Premier.

I need just one more thing from members of the committee before they go. Under Standing Order 56(7), debate has now concluded on the consideration of the Executive Council's '93-94 budget estimates, as well as the FIGA estimates. Thank you

again, and if I can get somebody just to move what I just said, we'll put it in the record, and we're done.

MRS. GORDON: I will.

MR. CHAIRMAN: Thank you. All in favour? Any opposed? None opposed. We're adjourned.

[The committee adjourned at 5:01 p.m.]

