

Legislative Assembly of Alberta

Title: **Wednesday, March 15, 2000**

8:00 p.m.

Date: 00/03/15

head: Committee of Supply

[Mr. Tannas in the chair]

THE CHAIRMAN: I'd like to call the committee to order.

head: Main Estimates 2000-2001

THE CHAIRMAN: This evening we have Committee of Supply dealing with the estimates of the Department of Resource Development. Are we agreed that it's 20 minutes, 20 minutes, and then a vote? Is that agreeable?

HON. MEMBERS: Agreed.

DR. TAYLOR: How about five minutes, five minutes, then a vote?

THE CHAIRMAN: Yeah, right. The third party has five minutes.

We'll begin this evening, then, with the hon. Minister of Resource Development.

Resource Development

DR. WEST: Thank you, Mr. Chairman. In the estimates of Resource Development tonight I'd like to bring a few highlights of today's energy sector and a few comments. I don't know that I need to go into full details of what we did in room 512, but I certainly will give a bit of an overview of where we are today.

Last week oil prices reached a new post Gulf war high of \$34 a barrel. Last March they averaged at \$14.68. If you compare natural gas prices from last month with prices a year ago, you can see an increase there too. It was \$2.80 today, and a year ago it was \$1.80 Canadian per gigajoule.

On the consumer side we saw an increase in the price of gasoline. Today it's 64.9 cents and last year at this time it was 45 cents a litre. Given these high commodity prices, we're forecasting significant increases in exploration and drilling this year with a corresponding increase in royalties to be collected, but it is also important to note that we don't expect prices to stay as high as they are now. In fact, from last week to today they've dropped two and a half dollars a barrel. Our prediction is that oil prices will average \$19 U.S. a barrel in 2000-2001 and that natural gas will average about \$2.50 Canadian for a thousand cubic feet. That is the Alberta reference price. These forecasts are lower than prices are now, but they reflect the best economic analysis we have going into the future.

Our estimates are that resource royalties in 2000-2001 will total \$4 billion, up from the \$2.4 billion we collected in '98-99 and down from the \$4.3 billion we expect to collect this fiscal year. This is predicted to include \$2.3 billion in natural gas and gas by-product royalties, \$632 million in crude oil royalties, \$469 million in synthetic crude oil and bitumen royalties from Alberta's oil sands, \$14 million from coal, and \$650 million from bonuses and the sale of Crown leases.

I would like to point out that the Crown takes royalties on conventional crude oil in kind. The Crown's share is sold by the private-sector marketing agents, Tidal oil company, PanCanadian, and CanPet. Tidal was previously Gulf. We assess the marketing agents' performance based on what prices they receive for the Crown volume and how the price compares to market benchmark prices. From January to July 1999 the average Crown price for light

sweet crude was 69 percent above the Edmonton posting. For light sour crude it was 95 cents above the Hardisty posting, and for heavy crude oil it was 60 cents above the Hardisty posting. That demonstrates that the private sector is selling our share on behalf of the people of Alberta and reaching a good price for it.

Resource development in Alberta is increasing across all sectors, and here's a snapshot of what's going on. The natural gas pipeline capacity has increased from 10.4 billion cubic feet per day in '95 to 11.9 billion cubic feet today. The volume of synthetic crude oil manufactured from bitumen has continued to rise from 278,000 barrels per day in '95 to 320,000 per day and rising as it today. Alberta's demand for ethane continues to rise from an average demand of 131,000 barrels per day to over 140,000 barrels per day today.

Industry is also taking on improved environmental performances especially in the area of flaring reduction. The target was set to reduce flares by 25 percent from the '96 levels by the end of 2001, and as of year-end '98 we were at 15 percent below '96, and we're on our way to beating that 25 percent target today.

According to the Canadian Association of Oilwell Drilling Contractors, the industry is expected to drill 14,300 wells in western Canada in 2000 compared to 10,200 in 1999, and 10,500 are expected to be drilled in Alberta.

AN HON. MEMBER: Question.

DR. WEST: The hon. member from the oil sands seems impatient.

The number of rigs drilling in February of 2000 was 403, and that's up from 275 in February of '99.

Industry has announced \$33 billion in oil sands investment. Over \$23 billion is already in application.

Natural gas was the top commodity export in '98, increasing \$8 billion. At a 1.2 percent increase, that is up today in the year 2000.

Now, Mr. Chairman, I have gone over much of the department's budget in estimates in subcommittee. Again, we're asking this year for \$87 million from the Assembly to run Alberta's business as it relates to oil and gas, electric deregulation, and issues that deal with the EUB. Also, we're asking for an extra \$5 million to do due progress in certain areas such as animal health studies that will be done in conjunction with the other western provinces and industry. We're putting about \$980 million into this animal health study this year, and it will be doing flare gas emissions as well as fugitive emissions from all other sources.

We are also looking in this budget to continuing electrical deregulation, and we're well on our way to giving full customer choice by January 1, 2001. We're also looking at finishing the extension of rural utility service to the Metis settlements, and that will be done this year. We have put money towards a new volumetric and infrastructure petroleum information registry, which will be completed somewhere in the year 2003.

We're doing research: another million dollars into coal bed methane. Remember that there's about 2,400 trillion cubic feet of coal bed methane estimated in the province. If we could develop the technology to use that, you can imagine what the supply would be for generations to come.

We have been instrumental throughout the last year in looking at the pipeline regulatory review and also reducing public liability for oil and gas facilities. We will be bringing in an act this spring I think to look at the orphan fund so that we can increase the rehabilitation of those facilities and pipelines, gas plants, batteries, and wells that have been abandoned or are orphaned in the province.

Again the Energy and Utilities Board continued to do magnificent work last year. They processed over 43,500 corporate transactions

and 20,500 applications. Remember that they went to hearings on less than .1 percent of those. They had 45 and they expect this year to get that down to 30 appeals – can you imagine that? – that had to go to hearings out of some 60,000 transactions.

Mr. Chairman, I will finish there because many of the other facts and that we went through in subcommittee, and I will await other hon. members if they have some follow-up questions.

Thank you.

THE CHAIRMAN: The hon. Member for Edmonton-Calder. [some applause]

MR. WHITE: Thank you members from both sides of the House for the hand. That's awfully good.

Tonight we'll do the best we can to keep it within a reasonable time limit, certainly under the 20 minutes, Mr. Chairman.

Now, this is a case of the good, the bad, and the ugly. The good is that there are some great oil and gas markets. They're really doing well. The province of Alberta is doing exceedingly well in that area. The minister has just outlined all the numbers that are current. I'll deal with that in a moment.

8:10

The bad, of course, is where we are in the generation of power and the uncertainty of the market. The ugly is the coal market at the moment. It's a bit sad.

First of all, there are some other parts of the good. It's good to see that the minister has seen the light and put more money into the EUB. The EUB, the regulatory agency of the Crown, does a good job; I agree with the minister on that. They have been working very hard at reducing a great deal of the turnaround times. They're reducing as best they can. They're doing a number of things, new and different ways of doing things such as problem solving and disputes mechanisms. For those of you that are interested in hearing a little bit about it, this morning in Public Accounts Mr. McCrank, the full-time chairman of the board, outlined some of that to great effect.

We'd also like to applaud the minister, along with the Minister of Environment I suspect, for agreeing to be in a consortium of governments with private enterprise involvement also, putting together this consortium with \$17 million in order to study flare gas and all fugitive gases, their effect on humans and animals. Mr. Chairman, you'll recall that in this province it's caused a great deal of consternation. There are a number of terrible situations that have arisen supposedly from flare gas, citizens that believe there's great harm being done to them, and they have taken the law into their own hands. Hopefully this study will answer a good number of these questions so we will not have that kind of breaking of the law in the future. It'll be good solid negotiation and discussion about these potential dangers.

The good news, of course, for Alberta and for the current government is that both natural gas and the price of oil are very high. That fuels the surpluses in this province. I don't think enough can be said about the natural resources in this province making all of us much better off and providing opportunities for ourselves, our neighbours, and our children. The difficulty I have is not giving credit where credit is due. This government continually takes credit for balancing the books and balancing the budget and being able to pay for so many things when, in fact, this government should be thanking, if you're religious, the Lord I suspect for putting the natural resources here. There doesn't seem to be much credence ever given to that.

That's the good news. The ugly is being really tough in the coal market right now. There are difficulties in the world price of coal,

not only for anthracite, the very, very tough coal that gives off exceptional heat per pound, but even the high- to medium-grade coals that we mine here in Alberta and the lower grade coals we just can't afford to mine and ship, nor would we consider even using them, because we have reasonably stringent laws as they relate to emissions.

The other area that is a concern in the coal business, recognizing that I believe in the order of about 60 or 70-odd percent of the electricity generated in this province currently is generated from that source, and a difficulty that the industry could face relates to emissions. We recognize that Alberta always has had very good players in the business. We haven't had the ugly coal burning and emission production of some other countries in the world. Whether they had restrictions on them or not in the days when they were built, these operators have been doing a good job. The difficulty is with the climate change in the world today. With those concerns there could be some impingement put on these operators. In fact, this member believes that the public is not particularly enamoured with any new coal generation plants, and we could see some civil disobedience from the environmental sector if we did plan on some. So that makes it difficult for the coal business.

I recognize that the extraction of natural resources in this province is and should be managed for two purposes, although we never hear debate on that. One, of course, is to generate revenues for the provincial coffers, the provincial coffers being the stewards of we the citizenry. The other reason is to sustain some communities, sustain the companies that employ those persons in the extraction and the production areas. To have those businesses healthy is advantageous to the people of this province, and it certainly wouldn't do to allow these businesses to fold or to go into terribly difficult times and have to cut back in the area of employment, nor would it be wise to design the systems that are in place to remunerate the owners of the resource, the people of Alberta, to an extent that would hinder the well-being of those industries.

Now, I said the good, the bad, and the ugly. I left the ugly for last, because quite frankly the management of the deregulation of power in this province is absolutely atrocious. This is entirely and completely driven by an ideology that says that government regulation in any case is bad and market driven is good without examining the facts, without even bothering to look to find out if in fact the system that's currently in place is better than the others.

Quite frankly, all my lifetime up until about 1993 or 1994, when this government decided deregulation was the be-all and end-all in the electricity business, this member always thought that we had some of the lowest prices on the entire continent for electricity delivered. We had an abundance of supply. In fact, among the energy companies the big competition was to be the next generator, to be allowed to invest capital at a guaranteed rate of return.

This government decided that deregulation was absolutely the right way to go and then didn't even bother to fully examine the ramifications. They didn't look at divestiture of the assets of at least one and perhaps even more of the major players. Recognize that the major player in this province is TransAlta Utilities. Quite frankly, since 1994 this government has been trying their darndest to design a system that would put the production of new generation and existing generation on a market base, driven on a market base. To date this member had hoped it could be done, but hope is fading and fading fast. This government has not produced to date, and quite frankly it's worrisome.

Most recently there have been a number of reports of economists that say we could be in very, very dire straits here if this system does fail. This member hopes it doesn't because, quite frankly, this province needs new generation, needs in the order of about 3 percent

a year. We're probably looking at about 500 megs a year to bring on the market, and it doesn't appear under pure market conditions that the PPA sale will produce that. I would like to be proven wrong on this one, but it appears it's coming to that state.

8:20

Quite frankly, there is absolutely no evidence filed in this Legislature or with the people of Alberta, and the people of Alberta, both industry and residential, are the ones that are at risk. There's not one shred of evidence that has ever been filed in this Legislature to say: we have studied this, we understand the concerns of the citizenry, and this is what we propose. Not once. Nor did they bother asking the citizens honest questions.

They surveyed the citizens and asked a very, very simple and philosophical question: do you agree with the statement that electrical energy can be produced under a market system cheaper than the current regulatory system? They had a 75 percent reply. What they didn't bother to say was how you provide a market-driven system where you have one player that controls the market. In the business they call that market power. That is precisely what the problem is today.

This member happened to be invited and did attend a meeting of potential purchasers of the power purchase arrangements and found that the potential purchasers were just as much at a loss as I was as to how this system could actually work, how you can have players bidding for the production of assets of a number of plants over 20 years with the confidence that the market power will not play a major force. They're taking a substantive risk there. They know the risks more than I certainly, and they really, really haven't come to the table. [interjection] This minister seems to yak a lot except in debate. He does absolutely no debate on the subject at all. He yaks about lots of other things, and he does not tell the citizenry, nor does he tell the major players . . .

DR. WEST: That's not true. You know it's not true.

THE CHAIRMAN: Through the chair.

MR. WHITE: Through the chair.

The minister does none of the above. Absolutely none. Mr. Chairman, there is no debate, never has been in this House either in the time I've been here or in the research I did before I arrived in this place as to whether in fact this should be deregulated. It was good for booze, it was good for registries, and it was done. That's the way it works.

The province of Alberta has been very, very good to this government by not questioning and making them agree to debate or at least have an understanding of these things. When the proverbial hits the fan come January of this next year, it is where the tire meets the road, and it could be a disaster. I'm hoping it will not be, but it would have been a whole lot easier if all of us, the economists at the university and those that are in the business, could have understood what the government's intent was.

DR. WEST: We're not Liberals. We don't sit back and let it go forever, never fix it, just keep throwing rocks through the windows. You never pick up the pane and fix it.

MR. WHITE: Yada, yada, yada.

Chairman's Ruling Decorum

THE CHAIRMAN: Hon. member, you had an opportunity, and I

wonder if we could spend the time . . . [interjection] Actually, hon. minister, are you calling a point of order on the chair? The chairman was the one that was addressing you at the time and so has that concern there. Hon. minister, if we could hear this gentleman out, then an opportunity will present itself for you to refute that in every way.

Hon. Member for Edmonton-Calder, if you'd address the chairman and not the other members of the committee.

MR. WHITE: It doesn't take anything to have this minister rise. Calling into question his decisions on behalf of all the citizenry is not inciting, sir. That's debate. That's supposedly what we're here for.

Debate Continued

MR. WHITE: We'll leave power for the moment, because there isn't going to be any definitive answer until July of this year. We can't even get this minister to say what is success or failure on behalf of the citizens. What amount is going to be left in the power pool to say that this is success, that we will have some returned? It doesn't say it at all.

Now, the other area that this minister has had absolutely no debate on is the rate of extraction of our natural resources. Is it the will of the people that we extract as fast as we possibly can?

MRS. NELSON: Absolutely.

MR. WHITE: There it is. Now, I would like to have had some debate on the matter.

MRS. NELSON: Why?

MR. WHITE: We continually get these interruptions that don't make it into *Hansard*. We had a former minister of energy ask why.

Why? Because it's a matter of public policy. The reason you have debate is so the citizens understand what the government is doing. See, these people don't seem to understand what democracy is about, which means not only for the people but by the people. The folks are supposed to know what you're doing on their behalf. It doesn't seem to matter to these folks that they go holus-bolus off in one direction. In this particular area, extraction at what cost and at what rate? Well, there's something to be said for extraction at a rate to meet demand. I can understand that. There's something about the extraction being at a rate that at least sustains the industry. Beyond that there has to be some reasonable debate with the people.

Now, the minister doesn't enter that debate. Perhaps the government caucus does that. This member wouldn't be aware of that. It certainly isn't exposed to the people. You don't see it in the *Herald*. You certainly don't see it in any of the journals. There isn't any debate where the folks can have some input.

Mr. Chairman, this member does not have a great deal of difficulty with the bulk of the expenditures in that department. As a matter of fact, it's good to see that the minister has decided there are at least three areas that warrant more expense and that his well-earned reputation for cutting and slashing has been laid to rest, that he's in a spending mode or an investing mode, as he would say. Quite frankly, investing in the EUB to the extent that has been done is a good move as well as some other moves that they have done too.

Mr. Chairman, I think we've covered the matter, and if the members on this side of the House haven't anything further – I don't believe so – we will look forward to the vote.

Thank you, sir.

THE CHAIRMAN: After considering the business plan and proposed estimates for the Department of Resource Development, are you ready for the vote?

HON. MEMBERS: Agreed.

Agreed to:
Operating Expense and Capital Investment \$88,429,000

THE CHAIRMAN: Shall the vote be reported? Are you agreed?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

MR. HAVELOCK: Is it me now?

8:30

THE CHAIRMAN: Actually, hon. Deputy Government House Leader, we used to need that, but with this process we just ask the question.

Economic Development

THE CHAIRMAN: To begin this evening's deliberations, we'll call upon the hon. Minister of Economic Development.

MR. HAVELOCK: Yes. Thank you, Mr. Chairman. I actually was standing up to discuss the estimates and not to move a motion. In any event, I am pleased to continue our discussion pertaining to the 2000-2001 estimates for Alberta Economic Development.

First, I would like to introduce the members of the ministry who are here with me today. Along with my executive assistant, Ms Hazel Cail, we have Dr. Bob Fessenden, who is the deputy minister, who is waving up there, and we have Mr. Jim Bauer, director of finance and performance accountability. I appreciate the fact that they've taken time out from their busy schedule to be with us this evening.

MR. DICKSON: Maybe they don't trust the minister to do it right.

MR. HAVELOCK: Thank you, Member for Calgary-Buffalo.

Mr. Chairman, during our previous meeting on March 1, I feel we had a very productive and useful discussion regarding the ministry's role in continuing to further the prosperity of our province. As noted during those discussions, our department, the lead sales and marketing arm for the government, assesses and monitors Alberta's business climate to ensure it remains positive and competitive. The estimates and business plan before you represent a broad outline of how we intend to proceed to facilitate economic development in the province.

At the last session I was pleased with the evident interest hon. members expressed towards the goals, objectives, and performance measures of Alberta Economic Development. As concerns the latter, I'd like to point out that we are committed to performance measures. We believe these are powerful tools that can contribute to the further enhancement of the ministry. Again, Mr. Chairman, I encourage all members of this Assembly to forward to my attention any suggestions they may have regarding such measures.

At the meeting on March 1, Mr. Chairman, I endeavoured to answer the questions of the members of the Committee of Supply. I also undertook to review *Hansard*. At this time I wish to table responses to three questions that I was unable to address during the

March 1 deliberations. How's that for service? There you go.

In response to the question raised by the hon. Member for Edmonton-Calder concerning the accuracy of the percentage change in actual tourism industry revenue between 1997 and 1998, I am tabling the detailed revenue figures to show that the increase between those two years is in fact 9.5 percent.

In response to the request made by the hon. Member for Calgary-Mountain View for a list of initiatives supporting the knowledge-based industry, I am tabling a list of the initiatives Alberta Economic Development and Alberta Innovation and Science are undertaking to advance the knowledge-based, high-tech sector.

Finally, Mr. Chairman, in response to a question raised by the hon. Member for Edmonton-Mill Woods regarding the use of the department's web site, I'm tabling information that shows the number of requests and user sessions from Canada, the United States, and around the globe since the department's web site was redesigned and launched last October.

Finally, in response to a question from the hon. Member for Edmonton-Calder, earlier today I provided a copy of the detailed strategic tourism marketing plan.

In conclusion, Mr. Chairman, I would like to emphasize that these estimates are concluded as part of the ministry's plans to continue to foster a positive business climate, one that is conducive to private-sector job creation, growth, and investment in Alberta, and as was the case with respect to the March 1 discussion, I certainly undertake to provide written responses to any questions that may be raised this evening.

Thank you, Mr. Chairman.

THE CHAIRMAN: The hon. Member for Edmonton-Mill Woods.

DR. MASSEY: Thank you, Mr. Chairman, and thanks, too, to the minister. I think the last session that we had in committee was most productive, and the minister helped us better understand what the department does. It was, I thought, a very useful use of our time, and that's in large part thanks to the minister. We were able to range over a lot of topics in that last session. I thank the minister for tabling the responses to the question about the web site this evening.

Because the time is limited, I thought that I might spend some time looking at a very narrow range of activity in the department, and that's the Alberta Economic Development Authority support. It's really embodied in item 1.0.4, on page 118 of the estimates, and my understanding is that the purpose of the authority is to serve as the link between the public and private sectors as it relates to the province's economic activities and to identify the future directions for the government and for the province and planning for the future through a series of task force committees. AEDA has 10 of those committees that do the work for them, and it's in focusing on those 10 committees that I'd like to spend the next few minutes, Mr. Chairman.

I guess, first, a general overall question is: what savings have been achieved by having the functions of AEDA centralized in Calgary? There obviously were some savings when that move was made. Along with that, what is being done to ensure that AEDA still has a northern Alberta presence? The centralizing of the service in Calgary was one move, but along with that is the concern whether northern Alberta is still being served. So I'd appreciate some comment on that move and the north.

A second sort of general question is: does the AEDA produce a three-year business plan, and who reviews that business plan? Is it reviewed by the department? Just how is the work of AEDA monitored by the minister and his department?

I wanted to start with the AEDA Taxation and Finance Committee. It works with the department to try to attract new investment and to keep business competitive as it relates to a number of issues, and I would like to know what kind of work the committee does in terms of ensuring a globally competitive tax regime to stimulate economic activity in the province.

A third question. What are they doing in terms of the ability of start-up and early-stage companies to access capital and to keep them up and running as they get started? I think all of us in our constituency offices have been approached by those people interested in getting into business and looking for support for new business. I wonder what this committee has in terms of plans for helping those entrepreneurs and, once they get going, to help them to keep running?

A fourth question. It relates to a review of regulations that was being done by a member of the government and a committee. What have they had to do with streamlining regulations and helping by that streamlining to make Alberta companies more competitive, getting some of the paperwork out of their way? In terms of the same committee, were they involved in the analysis of Alberta's business tax or the review that's going to be conducted by the department to support the Alberta Business Tax Review Committee? Are they involved in that committee in any way, and if so, how are they involved?

Those are some questions about the Taxation and Finance Committee, Mr. Chairman.

8:40

I'm also interested in the Jobs for the Future Committee. We touched on this a little bit in the session we've had previously. I would like to know what kind of work is being undertaken in conjunction with Human Resources and Employment in preparing for future workplace needs. We talked briefly the last time about establishing databases of up-to-date information about workplace trends, skills development, and training opportunities. It would seem to me that this would be a natural domain for this particular committee of AEDA. Are they involved, and what kind of impact do they have in expanding co-operative work programs, apprenticeship and mentoring programs? Are they involved in establishing career education foundations such as Next Generation, the one that was established by the Alberta Chamber of Commerce?

They must have close linkages with postsecondary institutions in the province. Are they actually involved in helping adjust curriculum and work in business skills programs? Are they directly involved in consultations with those institutions and with those companies that are offering training to postsecondary institutions to make sure that there's a good match between where the marketplace is and where it's going and the kinds of people that will be entering it? I'd be interested in knowing what those links are. The same would apply to continuing education efforts. How deeply are they involved in determining the kinds of curriculum, the kinds of programs that continuing education institutes and groups are involved in? How closely do they work with them?

In terms of the Transportation and Infrastructure Committee, I would assume they were involved in the establishment of a comprehensive transportation strategy for the province. I wonder if we could have some information in terms of how that planning is proceeding. Another area where I assume they have some input is in dealing with telecommunications networks. There are some changes afoot in the province, and I wonder what kind of input, what kind of action the Transportation and Infrastructure Committee has undertaken in terms of those changes and, of course, looking to the future.

A sensitive area for this city, of course, is the International Airport. Has the Transportation and Infrastructure Committee worked with them in terms of improving international service, which is really a sore point with many residents of this city and in northern Alberta, and working to improve domestic service? It's still impossible to fly from the capital of this province to the capital of the province to the west directly, in many cases. There are some flights, but it's rather limited in terms of what it used to be, so I'd be interested in terms of what kind of activities they have in this regard.

I wondered what steps have been taken by the department to respond to the recommendations of the AEDA Transportation and Infrastructure Committee. They made a number of recommendations to the department in terms of removing trade barriers to ensure that Alberta shippers had access to a competitive rail industry in terms of pricing and service. What were those recommendations, and has the department or the government responded to them?

Because the time is moving on, I'd like to move to the Technology and Technology Products Committee. This is a huge area for the government. I'd like to know the kind of priority that's being placed on initiatives in energy production and products, in wireless technology, in telecommunications and new media, the kind of value-added activity they're involved in in a number of industries, in agriculture and in forestry. It's a huge area. I know there are activities that spread into a number of departments, and I'd appreciate some information on that activity.

They obviously have had some input in terms of the province's research and development capabilities. We have before us this session of the Legislature a couple of very good initiatives in this area. I think it's Bill 1 that is a particularly good bill and one that will greatly enhance the research and development capability of the province. I wonder what other activities the authority has been involved in and in particular the Technology and Technology Products Committee. I'm wondering about the Energy and Energy Products Committee. The need for proper funding, for adequate funding for environmental education: have they made any moves in this area? Have they been involved in the property tax assessment impacts and the shortage of trained professionals for the trades?

Energy and energy products is a growing area for the province, and again it would be interesting to know what kind of activity is planned by this committee for the coming years. The Export and Trade Committee in conjunction with the department is, I understand, responsible for expanding trade and export as it relates to national and international market opportunities for value-added industries and services. Again, I would be interested in knowing: what kinds of activities are they involved in? What kinds of activities are they planning for the future? They are part of an effort that is put forward to combine the efforts of the private sector and the government to provide what I guess you could call market intelligence and to create more flexible business networks to assist smaller organizations to capitalize on opportunities in new markets. Again, I'd be interested in what kinds of projects are being undertaken or planned in this year's budget.

They also work with the federal government and the other provinces to remove trade barriers and to encourage colleges and universities and schools to target their language training.

This has been an issue that's been raised in not only Economic Development but in the Department of Innovation and Science and in the Department of Learning budget estimates. That is the need to make sure that the technology and the science thrust that is so much of the government's effort is complemented by a similar thrust in the humanities and the social sciences so that those people who are seeking to do business in international markets can draw upon good language education in this province and, if not here, at least in a

neighbouring province, so that there's the kind of social science research that's needed to make sure that our institutions are up to a global economy and able to adapt to the coming future, and so that the investment in those areas is maintained at a level so we really can say that the moves in the technology area are matched by moves in the humanities and social sciences.

8:50

With regard to the Forestry and Forestry Products Committee, what kinds of recommendations have they made to extend the period of the land use policies? Those policies were debated in at least one bill in the last session of this Legislature, and I wonder what they are doing in terms of those policies.

The AEDA works with the department, and one of their focuses, of course, is self-reliant communities. Again, if we could have some information on their success or the kinds of work they are undertaking in working with business, municipal governments, and labour, education, and community groups to eliminate barriers, to identify some local opportunities for Economic Development, and to identify opportunities and some fiscal strategies for those communities to maintain and enhance the infrastructure they have in place and will need if they are going to grow in the ways in which the government in its plans would have them do.

Those are a number of very detailed questions about 1.0.4 and the AEDA in particular, and I would greatly appreciate any information that the minister is able to provide.

Thanks very much, Mr. Chairman.

THE CHAIRMAN: After considering the business plan and proposed estimates for the Department of Economic Development for the year 2000-2001, are you ready for the vote?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Okay.

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| Agreed to: | |
| Operating Expense and Capital Investment | \$51,236,000 |

THE CHAIRMAN: Shall the vote be reported? Are you agreed?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

Government Services

THE CHAIRMAN: I'll call upon the hon. minister to begin.

MRS. NELSON: Thank you very much, Mr. Chairman. Two weeks ago I presented this committee with the first business plan and estimates of the new Ministry of Government Services. I talked about the ministry's goals, the actions that we intend to achieve, and how we intend to achieve these goals. I talked about the recent reduction in our registry fees, some \$55 million a year in savings that will go directly to Albertans. I talked about some of the things that we'll be doing to improve services to Albertans within the ministry. I gave examples of how Albertans deserve better service than what they've been getting, and we're on that track. I also talked about how we hope to attain delivering that service by going through our gateway to government project, which will be a one-window approach to providing services to Albertans.

Mr. Chairman, I think we had a very good dialogue during that

presentation, and I appreciated the questions that came forward from the members opposite. I must say that I was very pleased to see their interest in some of the things we're doing within this ministry. I did answer a number of the questions that evening, and I made the commitment that I would get the rest of the questions from *Hansard* and get back with answers to those questions as quickly as possible. I am able tonight to table the answers to those questions as I committed, so I'd like to table five copies of the questions that were raised during the Committee of Supply. Again, I would like to thank subcommittee C for their work on the evening that I presented the estimates for this department.

At this time, Mr Chairman, I would like to say that if there are any further questions this evening, I will undertake to get answers back to hon. members as quickly as possible, but I would ask that the committee approve the estimates of the Department of Government Services.

THE CHAIRMAN: As I understand it, hon. member, we've got the hon. Member for Edmonton-Manning and then, within the period of time, the hon. Member for Edmonton-Gold Bar.

So if you would commence, hon. Member for Edmonton-Manning.

MR. GIBBONS: Thank you, Mr. Chairman. I'd like to thank the minister. Just a couple of question that we didn't get on the floor the other day, and that was actually around registries, motor vehicle registries. As we were reading in the paper in the last couple of weeks about the fake drivers' licences that are being produced and so on, I'd like to see if we can get something on the record on that particular item.

I really believe, as I read through the business plan and everything, that registries is one of the biggest items in here, and we sure have to make sure that the 21 recommendations from the Auditor General and everything else are in place.

I'm a believer in the private system, but I want to make sure that we keep the right monitoring systems in place, that we are checking up on them. I do know from traveling around the province – I do stop in at registries, and I talk to the owners and so on – that they're relatively happy.

MRS. NELSON: Very happy.

MR. GIBBONS: Yes, they're very happy. [interjection] I'm going to stay at the "very."

Even when they start talking about the ones that actually took on the fishing licence machines and all that, they now are happy, subject to some of the ones that were really taking my head off originally. [interjections] Mr. Chairman, I don't really mind stuff like this, but I'll continue.

THE CHAIRMAN: The chair would observe that the hon. member should speak through the chair.

MR. GIBBONS: I'm going to sit right now, Mr. Chairman, but I'm hoping to get some answers back on this, because we don't want fake licences getting out onto the street. That was the major thing I wanted to ask since last time.

Thank you.

THE CHAIRMAN: The hon. minister is rising on a point of order?

MRS. NELSON: Mr. Chairman, can I not just respond to that?

THE CHAIRMAN: If that's what the hon. member wants. Hon. Member for Edmonton-Manning, do you want responses now?

MR. GIBBONS: You can get back to me after.

MRS. NELSON: Oh, okay. Okay; I'll get back to him.

THE CHAIRMAN: The hon. Member for Edmonton-Gold Bar.

MR. MacDONALD: Thank you, Mr. Chairman. I am very anxious to ask the hon. minister some questions this evening regarding the new Ministry of Government Services that was established in May of last year.

Now, it is an interesting ministry. It's taking over responsibility for registries and consumer services from Alberta Municipal Affairs and for the Regulatory Review Secretariat from Alberta Treasury. I'm sure the minister is going to do an outstanding job with her new portfolio, particularly if some of the staff that she had with her in her previous portfolio of Gaming come with her, because some of her staff, at least the ones that I had direct contact with, were excellent. I'm sure she was astute enough to take them with her when she moved.

There are some major goals and strategies discussed here. I'm going to review them, and I have some corresponding questions, Mr. Chairman. The first goal I notice is a declaration to provide a gateway or a "common portal . . . so Albertans receive the services they deserve." My questions for the hon. minister regarding this goal are: what services has it been determined Albertans deserve, and why are they not receiving these services right now? What types of redevelopment does the minister see for Alberta land titles, motor vehicle registration, and personal property registration systems? What are the current concerns with these systems, and how will redevelopment address those concerns?

Another goal of the department, Mr. Chairman, is "excellence in service development, delivery and accessibility." This seems like an odd goal for the minister to have to state. Would it not be taken for granted that excellence would be standard for everything? Is this not the standard currently being attained? How will excellence be measured? How does the minister plan to enhance marketplace surveillance monitoring capabilities so that the ministry can better anticipate and respond to changing marketplace requirements? Which new information and access standards will be implemented for services provided by AGS so that these services reflect fair business practices? Why are these practices currently not being reflected? The last question concerning goal 2: with what regularity is the ministry currently publishing enforcement bulletins? Will this time frame continue, or will a new time frame be adopted? Will it be weekly, semimonthly, or monthly?

9:00

Now, another interesting goal, Mr. Chairman, is "a fair and effective marketplace in Alberta with a high standard of business conduct." My questions to the minister regarding this are these. What resources are currently available for investigating major marketplace issues? Will there be any increases or decreases in these resources? In light of the minister wanting to develop and implement a policy to ensure that resources for marketplace practice investigations are appropriately prioritized, could the minister explain how these investigations are currently prioritized? Could the minister detail how order in council exemption requests from foreign companies for intensive livestock operations and agroforest operations are currently reviewed and assessed? What part do municipalities and various government ministries currently contrib-

ute to this process? How does the minister see these groups fitting into a new framework? Another question: what is the status of the implementation of the national information sharing database to support investigation enforcement activities? Regarding the Regulatory Review Secretariat, I have two questions. What goals and objectives did the government set in 1996 regarding the review of government regulations? What quantity of staff time has been dedicated to reviewing the 616 regulations left to review?

Now, the fourth goal is "a streamlined, effective, and relevant regulatory environment." Regarding performance measures for customer satisfaction, Mr. Chairman, how will consumers be selected for contact? Will they be advised that they may be contacted at a later date for follow-up on their initial call or point of contact? If the survey is contracted out, how will the minister deal with a consumer who does not want a private contractor to know that they have contacted the ministry with a particular question? What if many of the consumers do not give their names and numbers? How will these be followed up? Will the yearly survey only look at consumers who contact the minister's office? Will there be any information campaign encouraging people to contact the ministry for advice or other information? What points of contact will be included in this survey?

I have at this time, Mr. Chairman, five more questions regarding goal 4 pursued by the department. What will determine if a consumer investigation is successful? Will more resources be added to this area if the 95 percent target is not reached? Regarding the Regulatory Review Secretariat, what would the minister consider effective measures to replace the ineffective status reports in three-year achievement statistics? Will new measures be established, or will the minister only consider establishing new measures?

Now, Mr. Chairman, it's very interesting whenever we talk about user fees in this province, and I have some questions regarding the outline of fee reductions. For the land titles department will the minister please provide the actual cost of service prior to the reduction in fees and since the reduction in fees for the following fee reductions under land titles? Notification, transfer, vesting order, leasehold certificate of title, correction, and reversal, application for: the old government fee was \$35 plus \$1 per \$1,000; the new government fee is \$35 plus \$1 per \$5,000. Mortgage, encumbrance and amendments: here we have the old government fee of \$15 plus \$1 for every \$1,000, and we have the new government fee of \$15 plus \$1 per \$5,000. A writ of enforcement: the old government fee was \$15 plus \$1 per \$1,000; the new government fee is \$15 plus \$1 per \$5,000.

Now, will the minister please provide the actual cost of service prior to the reduction in fees and since the reduction in fees for the following fee reductions under corporate registry? Certificate of incorporation: the old government fee was \$300; the new government fee is \$100. Certificate of amendment, articles of amendment: \$75 was the old government fee; the new government fee is \$25. Certificate of amalgamation: the old government fee was \$300; the new government fee is \$100. For certificate of registration of an extraprovincial corporation, \$300 was the old government fee; the new government fee is \$100. Certificate of registration of an interprovincial nonprofit with exemption: the old government fee was \$150; the new government fee is \$75. Reinstatement of an extraprovincial corporation: \$300 was the old government fee; the new government fee is \$100. Certificate of amendment of registration of an extraprovincial corporation: \$75 was the old government fee; the new government fee is \$25. Certificate of registration of amalgamated corporation: the old government fee was \$300; the new government fee is \$100. Certificate of restated articles: old government fee, \$75; the new government fee is \$25. Incorporation,

section (g), certificate of continuance under section 181 of the Business Corporations Act: the old government fee was \$300; the new government fee is \$100. Certificate of amendment, articles of reorganization: \$75 was the old government fee; the new government fee is \$25. Certificate of revival: \$300 was the old government fee; the new government fee is \$100. Certificate of English or French equivalency: the old government fee, \$50; the new government fee, \$25. A certificate of continuance under section 261 of the Business Corporations Act: the old government fee, \$300; the new government fee, \$100. Certificate of status: the old government fee, \$25; the new government fee is \$5. A search for each corporation, microfiche only: old government fee, \$10 plus \$1 per page, and the new government fee is \$5 per file. Certification of each file: the old government fee was \$25 plus \$1 per page; the new government fee is \$5 for the entire file. Issuing a corrected certificate: the old government fee was \$75; the new government fee is \$50. A printed search, each corporation: the old government fee was \$10; the new government fee is \$1.

9:10

Also, Mr. Chairman, will the minister provide, please, the actual cost of service prior to the reduction in fees and since the reduction in fees for the following fee reductions under Alberta companies regulation? Certificate of incorporation: the old government fee was \$125; the new government fee is \$75. Certificate of amendment: the old government fee was \$50; the new government fee is \$25. Certificate of restoration: the old government fee was \$125; the new government fee is \$75. A certificate of status: the old government fee was \$25; the new fee is \$5. Certificate of change of corporate name: the old government fee was \$50; the new government fee is \$25. Search for each corporation, microfiche only: \$10 plus \$1 per page was the old government fee, and the new government fee is \$5 per file. Certification of each file: the old government fee was \$25 plus \$1 per page; the new government fee is \$5 per file. A printed search for each corporation: the old government fee was \$10; the new government fee is \$1.

Will the minister please provide the actual cost of service prior to the reduction in fees and since the reduction in fees for the following fee reductions under the Co-operative Associations Act? For a certificate of incorporation the old government fee was \$300; the new government fee is \$100. Certificate of amendment: the old government fee was \$75, and the new government fee is \$25. Certificate of amalgamation: the old government fee was \$300; the new government fee is \$100. Certificate of revival: the old government fee was \$300, and the new government fee is \$100.

Now, I'm sure many hon. members of the Assembly are wondering about the comparisons in these old fees and the new fees. This is information that is vital to the consumers of this province.

Will the minister please provide the actual cost of service prior to the reduction in fees and since the reduction in fees for the following fee reductions under the Partnership Act? Filing a certificate of limited partnership: the old government fee was \$150; the new government fee is \$50. Filing a notice to amend a certificate: the old government fee was \$50; the new government fee is \$15.

Will the minister please provide the actual cost of service prior to the reduction in fees and since the reduction in fees for the following fee reductions under the Societies Act? A certificate of amendment under the old schedule was \$50; the new government fee is \$25. A certificate of status was \$25 in the old government fee; \$5 in the new. A certificate of amending objects: \$50 for the old government fee; the new government fee is \$25.

Now, will the minister please provide the actual cost of service prior to the reduction in fees and since the reduction in fees for the

following fee reductions under personal property registrations and renewals? Registration or security agreement under the Personal Property Security Act: per year for optional registration, between one and 25 years, the old government fee was \$4, and the new government fee is \$2; for infinity registration the old government fee was \$400, and the new government fee is \$400. Okay?

Now, there are other acts here. There's the garageman's lien, the railway rolling stock, and if the minister in due time would perhaps agree to answer all my questions regarding old government fees and new government fees, I think that would be the extent of my questions. [interjection] Okay. So if the minister would be gracious enough to provide those answers in due time by letter at a later date, I would be grateful.

Thank you.

THE CHAIRMAN: After considering the business plan and proposed estimates for the Department of Government Services for the year 2000-2001, are you ready for the vote?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed?

Agreed to:

| | |
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| Operating Expense and Capital Investment | \$49,810,000 |
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THE CHAIRMAN: Shall the vote be reported? Are you agreed?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

Community Development

THE CHAIRMAN: We'll call upon the minister to begin this part of the deliberation.

MR. WOLOSHYN: Thank you, Mr. Chairman. This is, I believe, about the fourth time I've had the privilege of addressing the members here with respect to the estimates, and I'd be willing to do it again. As I've indicated to you previously, I will be getting back in writing to a good number of the questions very, very shortly. As a matter of fact, it's already been prepared for some of the members but hasn't gone out. I'll use the mail unless you want me to table it in the House. It doesn't really matter.

The discussion around the ministry, I think, has generated a significant amount of interest. I was pleased to hear a lot about the seniors' programs, the grant funding, support we get for historical resources, the foundations, and so on. I appreciated the questions we had over time on citizenship, on the Human Rights Commission, and on women's issues.

I'd like to say that it's the intent of the ministry to keep focused on our core business plans and basically concentrate on improving the quality of life for Albertans at every level of the ministry. The staff work with cross-government initiatives. We develop new relationships, partnerships, and so on.

We will continue to make access easier for Albertans with respect to seniors, working on some of the suggestions – and certainly they weren't new and novel – in terms of getting information out somehow in a better fashion. I'm certainly willing to listen to any suggestions you may have there.

[Dr. Massey in the chair]

As you know, we've got a couple of studies going on. The impact of aging study will be brought forward hopefully sometime in the spring. We'll be looking at that along with other studies that are going on, and what we'll be trying to do is end up making long-term plans that can aid the seniors in their transition, shall we say, to a more comfortable life. We're going to ensure that we can address the needs of seniors, whether it be transportation, housing, health, or whatever, as well as possible.

There was some discussion with respect to the Western Heritage Centre, and I want to reiterate that Alberta Community Development has extended its partnership arrangement with the Western Heritage Centre Society. The centre will remain open and continue to be programmed by the society, which will devote its efforts to developing new programming and marketing strategies. Revenue will go towards programming and retiring debt. At this time, Mr. Chairman, I'd like to table five copies of the agreement between the department and the Western Heritage Centre so interested members may have access to them. That is a complete package that I believe includes the agreement which it supercedes so those who might be interested will have the total picture.

9:20

We all know that the arts, as some of the members have mentioned, have a very, very positive economic impact on the province. There are various estimates, I suppose, but we do know it's significant. We do know, for example, that there's well over \$120 million spent on materials, supplies, services, salaries, whatever you want to throw out. In the nearest figures we can get, there have been some attendance figures of over 11 million people, which is roughly four times the population of Alberta, that have attended arts organization events over the past year.

We'll be doing more work with the Alberta library card project. As I indicated, we'll be looking at the method of funding libraries, hopefully getting a more up-to-date process in with respect to the census figures used.

As we know, with respect to homelessness and our social housing we have a provincial economy that's very, very strong, and the growing population has put extreme pressures on housing. In some communities rental rates have fallen very, very dramatically. At the same time, rents have gone out of the reach of a lot of low-income Albertans. We're committed to working in partnership with the municipalities, with community-based organizations, with not-for-profit housing sectors, and whomever to try to develop a continuum of affordable housing solutions, and we'll be looking at making them basically tailor-made, if you will, to the communities in question.

We all know that this is a broad spectrum. It's not just one little band-aid that'll fix it. We're looking for any innovative ways, whether it be the private sector or municipalities or the not-for-profits, any of those that have any innovative ways of approaching this.

With respect to human rights, I do support the work of the Human Rights and Citizenship Commission; it goes without saying. I believe we have to instill tolerance and understanding at home, at work, at school, and throughout our society. So I'm very, very supportive of any kind of education programs, if you will, that would address these kinds of issues. Hopefully the goal would be to have the workload of the commission diminished through better behaviour and lack of demand.

I'd also like to add that ministry staff do a very, very good job, a tremendous job in fact, of supporting myself in my role as minister responsible for the area of women's issues, as well as providing support in all the other areas I deal with, but that one I wanted to underline more specifically. We also do a lot of work with other ministries across government.

I'm not going to go into too much detail with the foundations. You're all familiar with what we do. We're trying to get them more focused, and I do believe I made reference to the development initiatives program through the ASRPWF which will meet the needs hopefully of clients that are not covered by other ones.

Just to wrap up very briefly, Mr. Chairman, I would like to thank colleagues on both sides, primarily the opposition side, for their comments. I appreciate your efforts in this process. As I stated earlier, we will be responding to all the questions I didn't have the opportunity to give you earlier.

On that, Mr. Chairman, I would move that we call the question.

THE ACTING CHAIRMAN: The hon. Member for Edmonton-Centre.

MS BLAKEMAN: Thank you very much, Mr. Chairman. I'd like to start off by acknowledging the efforts of the staff from the Department of Community Development. I have tremendous respect for the job they are attempting to do and the spirit and hard work they put into trying to realize the objectives and policies of the department. I think they deserve that acknowledgment, and I am certainly willing to give it to them.

The minister, however, I am disappointed in. The minister says that he's supportive of a number of things but no action will be taken. Frankly, I think a person could starve on the minister's kind of support.

We raised heritage sites. Well, no, nothing to happen there. We raised the problem with libraries and funding, being funded at a 1997 level, which is creating extreme situations, I think, for those libraries that are existing in locations where populations have grown dramatically. No, says the minister, I'm not going to do anything there or at least not this year. So if it actually does kick in next year, in 2001-2002, they will have gone four years at essentially a frozen funding level. Frankly, the funding level was no great shakes to begin with. No, says the minister to libraries.

I suggested that as a preventative measure in working in partnership with the Department of Health and Wellness the minister look at operating funds for seniors' centres or some sort of assistance there. No, no funding of seniors' centres. I talked about the issues that have arisen around the lodge granting program and the fact that larger lodges run by larger organizations are funded at a disadvantage now. No, says the minister, nothing happening there.

Now, I know that the minister and members opposite have received information from groups and individuals. They've received letters, e-mails, phone calls, faxes, and visits from constituents, all of them pointing out these different issues that exist under the Department of Community Development and many of them asking for increased funding. I know that because I've been CCed. I know there are people out there bringing this to the minister's and other members' attention and asking for this department to give some real support instead of this sort of benign neglect. I hope it's benign, but it's certainly neglect for the areas under this department.

One of the things I've talked about before – and I'll keep raising it – is how many times the elements in this department have been collapsed onto one another so that they don't exist any more. Of course, the one I am most disappointed about – more than that, I'm angry about it – is the women's policy and programs, which from the early '90s was actually a branch or a division. There were a number of staff. I think there could have been 15 to 20 staff in there working on different programs, developing policy, advising the minister. I think we're down to one official staff person in that program. If you look through the documents in these budget estimates, there's no recognition of women's policy and program advice at all, because

that's been rolled up inside something rolled up inside something rolled up inside something now called citizenship. So I think there's an ideology behind that beyond what is apparent.

We used to have a ministry of culture. Now, if I look at it, the best that I can find out of this is something called community services, unless you get far enough down in the vote levels and sublevels of the votes to actually find what's under that. I think that's a very sad comment on the support of quality of life in Alberta.

We have the public asking this department for more support, especially when they know that \$800 million went into the lottery fund in this year. Actually, they're expecting \$837.5 million in this fiscal year. Now, right from the beginning this money that was brought in from lotteries was not to be used for core services, but when I look at the lottery fund and what this money is being used for, so-called onetime projects, I think they're really core services.

9:30

I look at things like agricultural initiatives at \$11.6 million, advanced medical equipment at \$10 million, Alberta Wellnet at \$15 million, Alberta Alcohol and Drug Abuse Commission – now, that was definitely funded under government programs and services; it's now funded under the lottery – at \$33.3 million. A couple of other examples are health care facilities funded at \$120 million, water management infrastructure at \$20 million.

I think that these are areas the government is responsible for: road paving, school building, medical equipment, agricultural initiatives. Is this government saying that it's out of all these businesses and that they're willing to abandon this to the uncertainties of lottery funding? The point was that the gambling summit said: spend more money on those charitable groups that are offering quality-of-life programs for Albertans. What do we get? We get two pages full of things that are being funded out of this that I think are very clearly core services. If you want to call them onetime projects, fine. Go ahead. But anybody can look at that.

[Mr. Tannas in the chair]

Let's have a look at this situation with the Alberta Sport, Recreation, Parks and Wildlife Foundation, in which the quarterly grant program was reduced or cut or terminated. I don't know what terminology the department is using. Essentially they lost more than 50 percent of their budget, and there's now a program called development initiatives. Now, according to what I read that was put out by the department, this is now supposed to be for the little guy, what's left of this grant program. I really wonder if the little guy is going to be able to get access to any of these funds, and there are a couple of reasons for that.

The decisions are now centralized in Edmonton, Calgary, and in a few cases Red Deer, so any of these sports and recreation initiatives which are taking place in High Level or Crowsnest Pass or Slave Lake don't have representatives on the board. There's nobody there explaining what exactly the grant is for or that knows the group that's applying for the money or the individual applying for the money. It's all centralized decision-making in Edmonton or Calgary, Edmonton for the northern region, Calgary for the southern region. So how is the little guy supposed to get any sort of advocacy out of this?

I think there's a situation that perhaps exists less in southern Alberta but definitely in northern Alberta and on this same issue of representation in centralized decision-making for these grant programs. In the north we have barriers of distance and barriers of climate. I mean, what is the team supposed to do? They're all supposed to come to Edmonton for a workshop? No. You need to

be able to bring the experts, the team leaders, the safety advisers, or whatever you need. They need to be traveling up there. How are these people supposed to be getting that message through when we have the centralized decision-making happening there?

I look at the northern regions. Under the quarterly grant program they used to get \$720,000 a year. That's for all the activities that went on in the northern region. Now under this new program they're going to get \$300,000. That's more than a 50 percent cut. Where did the rest of that money go?

How come this came about? Well, I checked around a bit, and what I heard was that people felt there was double-dipping between the old program, the quarterly grant program, and the community lottery boards. That's really interesting, because I'm sure that when the community lottery board money was introduced, it was about augmenting what was already there. It was supposed to be about recognizing that there needed to be additional support into the community, and these community lottery boards were set up to be offering additional money, not replacement money, not to have the community lottery board money in place and therefore we'll reduce the old grant. That's not what this was about.

These groups are not double-dipping. If they've got a \$50,000 project, yes, they're applying to a couple of different places, but they're still not getting their whole \$50,000 covered, and they're certainly not getting it covered twice, which would be the definition of double-dipping. No. They're still putting in their own money and trying to get support for different facets of the project that they're doing.

That whole idea that we'd be losing money out of grant programs because the community lottery boards are now somehow replacing them or where there's some accusation of double-dipping really burns me. How that's being operated and how the community lottery board money going out into the regions is being handled – there was to be really strong criteria in place, criteria that I felt should have protected all the different areas that were applying for money so that the local board would know that they should be looking for projects for seniors, they should be looking for projects for youth, they should be looking for projects for artists in that region.

What I think in some cases has happened is that your group has to have an advocate at the table. If that voice isn't there to be represented, well, there's a certain amount of negotiation that goes on and you may just not get any money for whatever that particular sector is if you don't have an advocate at the table. That's why there was supposed to be the strong criteria for it.

The criteria have changed. I know some groups were in the media because some school projects were being funded through community lottery boards. Now, I'm not going to criticize that school for applying for money. I know that that school needs the money, and they're looking for it anywhere they can get it. But this grant program was supposed to be augmenting what was going on in the community for quality of life, sports and recreation, arts and culture, that sort of thing, and that's not what's happening here today. It's even worse if we're losing grant programs because this community lottery board program is now in place.

I think it's important here to compliment and recognize the volunteers, the many volunteers that support the minister and the department, those volunteers that do sit on the community lottery board or on the boards of the Alberta Sport, Recreation, Parks and Wildlife Foundation or the Alberta Foundation for the Arts or the Wild Rose Foundation. These are citizens from the community, from Alberta who are giving up their time and doing their best to try and do this, and I think in some cases the minister does them no favours by not giving them strong criteria to work with.

Now, I'd like to move on to the performance measurements again. I question almost all the performance measurements that are in this department. I don't think the minister is doing himself much of a service with the performance measurements that are there, because I don't think it's looking forward to what improvements need to be made and what programs need to be in place to support where we could be going. In other words, the whole concept of development, of moving forward is not in this.

So it's not about how many people went to an exhibit and were satisfied, which is what's being measured here. It's about: why didn't other people go to the museum or the exhibit at all? That's what we're trying to find out. If we're trying to get more people in there, why didn't other people go? I mean, isn't that it? Isn't the goal to increase the participation? Then why aren't we trying to find out why people don't come rather than measuring the satisfaction level of those people that are there? I think there's something very much missing in those performance measurements.

I'll note once again the mysterious change in statistics shown in last year's estimates book, the same year's figures brought forward into this year's estimates book, and they're different. The numbers have changed. They've transmogrified somewhere in the translation, and I'd like to see that clarified, please.

I didn't get much time to talk about the Francophone Secretariat, which is new under this department this year. I am interested: what are the key performance indicators for the Francophone Secretariat? It's now under this department. What are we looking for it to do? What are the goals? What is it trying to achieve? What's in place to measure whether or not that's successful? I didn't see anything in there about that.

Library funding and support. I've already said, you know, that we're finding out: no, not this year. They're based on '97 levels. We're now looking at 2001-2002 as the earliest time they'd be given some relief and some reality in their funding.

Another topic. I'm interested in what advice or what policy was given by the women's policy and programs. I acknowledge there is one person working on this. My heart and support goes out to this person. What advice, what policy direction was given by women's policy and programs to the minister that he can then pass on to the Minister of Health and Wellness, particularly on the issues of osteoporosis and midwifery, two key issues for women in this province? What kind of advice did this minister get that he then worked in partnership on with the Minister of Health and Wellness? I'd be very interested in that one, two very important subjects for women in his province.

9:40

I've talked quite a bit about the non-increase in funding to seniors in that the only increase there is to deal with an increase in volume demand. We didn't see any changes in the thresholds. We didn't see any changes in the benefit amounts. Nothing changed. There's just a whole bunch more seniors in Alberta that are poor enough that they can qualify for this program. I'll point out that the criteria for qualifying for the program is that you have to be a really destitute senior. It tells us there's a lot of destitute seniors in Alberta. This is a problem I don't see being addressed. I don't see where the new ideas are going to be coming from, so I guess, like the minister, I'm waiting for the part B report on the impact of aging.

I've addressed some of the issues where I felt there needed to be literally more cash into this department, which has been more or less at the level of 1988-89 for some time. There was money that has been taken away or ignored.

Now let's talk about taking away staff. I'm wondering why the minister in all the comments he's brought forward in the time we've

had together on this didn't talk about shared services, in which we evidently are now going to outsource all the administrative positions in this department. If I may quote my good mother, I think the minister is cruising for a bruising here. I think maybe he wants to be a Jane Stewart wanna-be. He's running a department that dispenses grants out into the community. Who are the people that do the input, that collect the data and do the evaluation on these grants? By terminating or laying off or outsourcing all these jobs, you're getting rid of the very people that know what's going on. You're getting rid of the very people that are going to save this minister's hide.

We're saying goodbye to them now because we're going to outsource it to KPMG or, you know, Hire-a-Worker Inc. That's not to disparage those people that are running private companies. Good for them if they have the initiative to do it, but I really question why this minister is now going to outsource these staff. I'd be interested in knowing why that didn't come up in the budget estimates of this department. That's a fairly major change in things. I guess he was hoping I wouldn't notice. What I think we're going to have left in there are a few program officers rattling around in the Standard Life building.

I'm wondering how the minister envisions being able to track the work that is being done by these outsourced groups. Will the contracts that are going to be signed with the outsourced companies be open and available to scrutiny, open and transparent, or am I going to be sitting in Public Accounts a year or two from now with the Auditor General having a reserved opinion on this department because he can't get details of what was in the contract for outsourcing all the administrative support staff in this department? I think it's a recipe for disaster, and it's an immense disservice to Albertans.

How are these outsourced companies going to make money? The profit margin has to be built in. What have we seen in other examples? We end up with them hiring the same people at less money or even trying to de-skill the job. If you used to have to have a degree to do this job, well, we'll pay you minimum wage and a high school certificate is good enough. I don't think so.

I'm asking again for the full-time employee counts because I think that's part of what's happened in this department. There's one line giving FTEs in here, and there are far fewer employees in each department. So I would like to see the FTEs for each subvote and, let's say, for April of '93, '95, '97, and '99. That's not too much work for the minister. Your resources are certainly larger than mine. You have the backup of an entire department to do this.

A few comments on the Banff Centre for the Arts. This was our jewel in the Rockies, and once again benign neglect, or at least I hope it's benign. The funding and the support for this has been so minimal that I'm wondering if the government just hopes they'll go away, just quietly die. This was a world-class facility attracting world-class artists and national artists. It gave our artists an opportunity to work with them. What happened? No support for it.

Once again I've run out of time, Mr. Chairman. I do wish I had another good hour; I could certainly use it. I think that it's mismanagement in this department and poor stewardship.

Thank you very much.

THE CHAIRMAN: After considering the business plan and proposed estimates for the Department of Community Development for the year 2000-2001, are you ready for the vote?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

Agreed to:
Operating Expense and Capital Investment \$334,491,000

THE CHAIRMAN: Shall the vote be reported? Are you agreed?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.
The hon. Deputy Government House Leader.

MR. HAVELOCK: Thank you, Mr. Chairman. I move that the committee do now rise and report progress.

[Motion carried]

[The Deputy Speaker in the chair]

THE DEPUTY SPEAKER: The hon. Member for Edmonton-Mill Woods.

DR. MASSEY: Thank you, Mr. Speaker. The Committee of Supply has had under consideration certain resolutions, reports as follows, and requests leave to sit again.

Resolved that a sum not exceeding the following be granted to Her Majesty for the fiscal year ending March 31, 2001, for the following departments.

Department of Resource Development: operating expense and capital investment, \$88,429,000.

Department of Economic Development: operating expense, \$51,236,000.

Department of Government Services: operating expense and capital investment, \$49,810,000.

Department of Community Development: operating expense and capital investment, \$334,491,000.

Mr. Speaker, I would also like to file copies of the documents tabled during Committee of Supply this day for the official records of the Assembly.

THE DEPUTY SPEAKER: Does the Assembly concur in this report?

HON. MEMBERS: Agreed.

THE DEPUTY SPEAKER: Opposed? So ordered.

head: Government Bills and Orders
head: Third Reading

Bill 6 Special Payment Act

THE DEPUTY SPEAKER: The hon. Minister of Human Resources and Employment.

MR. DUNFORD: Thank you, Mr. Speaker. It gives me a great deal of pleasure to move Bill 6 for third reading and look for the support of all Members of the Legislative Assembly.

THE DEPUTY SPEAKER: The hon. Member for Edmonton-Glengarry.

MR. BONNER: Thank you very much, Mr. Speaker. It's a pleasure to get up this evening and speak to Bill 6, the Special Payment Act, in third reading. It's been quite a journey for a number of widows

and widowers, and I think what I would like to do is look at the three important parts of this journey: where these people have been, where they are presently, and where they're going to be hopefully in a few short weeks if all goes well.

9:50

When we look at where they've been, Mr. Speaker, prior to 1982 dependent spouses were paid a pension for life unless they remarried or entered into a common-law relationship. Now, in 1982 that legislation was changed. It was well-meaning legislation and certainly looked at pensions. It also looked at a retraining program. In 1985 we had the introduction of the Charter of Rights and Freedoms, and in particular section 15(1), which dealt with discrimination, had an influence on pensions. In 1987 we saw the government of Canada recognize and correct a similar discriminatory error by reinstating Canada pension cheques to surviving spousal benefits. In 1996 we saw the disenfranchised widows in British Columbia win a court challenge. At that point their benefits were reinstated, and they received a lump sum payment for the retroactive payments they hadn't got. Since that time we've also seen settlements in other provinces, Mr. Speaker, and these were in various forms of reinstatement of pensions.

In 1994 in the province of Alberta we had the formation of the Disenfranchised Widows Action Group. At that time they started a process to get their pensions reinstated, to get their pensions reinstated with a lump sum payment, or in this particular case they were looking at a lump sum payment. That all came about because of the introduction of Bill 6 in the spring sitting of the Legislature.

What this Bill 6 will do is allow the two groups, the Disenfranchised Widows Action Group and the Workers' Compensation Board, to get together to settle this issue, and it will allow for payments of moneys from the WCB to the disenfranchised widows. This will certainly go a long way in correcting the issues of fairness and the issues of protection of the vulnerable surviving spouses.

At this stage of the game many of them are widows, they are seniors, and they've encountered financial hardships since the time of the death of their spouses in work-related injuries. Some of these people today still continue to have financial hardships. They are living on some type of provincial assistance, whether it happens to be AISH or family and social services benefits. So for them financial support is welcome. This will also certainly add to the quality of their lives from now until such time as they retire.

They have been offered, I am told, a lump sum payment of \$80,000. Some of the widows are quite willing to accept this figure. It's been a long and hard struggle for them. Even though they're not totally happy with the \$80,000, they are quite prepared to take that. Others may not be satisfied with this amount, and of course there are provisions in Bill 6 for them to go to the courts to see if there's any possibility of increasing this amount. Others are simply tired of the struggle. It's been a David versus Goliath battle for them, and of course the little person has come out victorious again.

Tonight we are on the verge of passing Bill 6 in third reading, and I hope that in the Assembly here tonight we have support from all members and this settlement will be speedy.

With that, we must also look, then, at the question of where disenfranchised widows are going from here. At this time I would like to thank the minister for listening to their concerns. How different this is from what we saw when Bill 26 was introduced here on the floor of the Legislature. We see a government that has decided that a worthy settlement, a deserving settlement is much better than going to court and having these people go to court in a lengthy and costly battle.

As I say, the widows, quite a number of them, are looking for a

speedy settlement to their issue. They are hoping the WCB will process and approve their applications and that the payment of \$80,000 will be made in very short order after that. I must say that I would like to take this opportunity to challenge the WCB to get the payments to these needy people as quickly as our government is getting the payments to those farmers who are in serious trouble here in this province. I think it's only fair that these widows, who have been fighting the good fight and who have been without their pensions since 1982, should be able to look forward to getting this lump sum payment in exactly as quick a time as our farmers are going to get their well-deserved money.

As well, I would like to see the WCB make an effort to notify all those widows and widowers who are eligible for their pensions. I really want to see this happen rather than the onus being put on those people to apply. I know a number of them are very well aware of this, but there are also others that I'm sure don't know that this bill is on the verge of being passed here this evening.

I would like to congratulate the widows. I hope they all have many more years of good health. I certainly hope this settlement will enhance their quality of life. I want to thank them for the lessons they've provided to all of us with their perseverance, their dedication, their determination, and their sense of fairness. It was a pleasure to work with these people, and I certainly do hope they enjoy many, many more years.

I'm very pleased to support Bill 6 at third reading, and I urge all members of this Assembly to vote for it. Thank you very much.

MR. DICKSON: Mr. Speaker, I'm all too mindful of the condition of sweet harmony that prevails in the Legislature while we've

discussed Bill 6 at each stage, but I make this observation again that was raised at an earlier stage. It has to do with section 9 of the bill, the provision that allows the minister to make "regulations respecting any matter that the Minister considers necessary or advisable to carry out the intent of this Act." Certainly in the opposition we've been prepared to support the bill and vote for it at each stage because of the important remedial effect of the bill, but we do so, I suppose, at least insofar as section 9 is concerned, without prejudice to the opportunity, when we see this kind of provision again in another bill, to argue as strenuously as we can manage that this is excessive in terms of regulatory authority. So I just wanted to make that observation that section 9 is in effect as a model much too wide, too vague. It allows the minister to effectively rewrite the bill without recourse to this Assembly.

10:00

I make that observation. It's not a reason for any member to vote against the bill, but it's a caution that hopefully the legislative draftspeople and the Chief Legislative Counsel will take to heart. Thanks, Mr. Speaker.

THE DEPUTY SPEAKER: The hon. Minister of Human Resources and Employment to conclude debate.

MR. DUNFORD: Question.

[Motion carried unanimously; Bill 6 read a third time]

[At 10:01 p.m. the Assembly adjourned to Thursday at 1:30 p.m.]

