

Legislative Assembly of Alberta

Title: **Tuesday, May 1, 2001**

8:00 p.m.

Date: 01/05/01

head: Committee of Supply

[Mr. Tannas in the chair]

THE CHAIRMAN: We'd like to start Committee of Supply. For the benefit of those in the gallery as well as in the seats, this is the less formal part of the Legislature. People may move from one place to another and sit down and talk to a friend or a colleague if they do so quietly. Only one member is allowed to stand and talk at a time. People may remove their jackets. We may have coffee or juice or pop in here. So it's less formal. It is designed to promote ready exchange back and forth. You must speak, though, from your own place.

Again, just so everyone is clear on the new rules that have been agreed to by our House leaders and by ourselves, before the Committee of Supply starts, then, this evening, the chair would like to confirm the arrangements that have been made. In the April 10, 2001, agreement House leaders agreed that the minister whose department estimates were before the committee would have 10 minutes for opening comments, followed by one hour of questioning by the opposition parties. Under the agreement the minister would have five minutes to conclude consideration of the estimates for his or her department.

The hon. Minister for Children's Services.

MS EVANS: Thank you. I wondered if it would be your pleasure to introduce those that are in the gallery this evening, if you had intended to do that.

THE CHAIRMAN: We do intend to do it as soon as we get the rules out. Sure, and I'll call upon you then; is that right?

The agreement is silent on questions by members of the government caucus. Should there be any questions or comments by members in that caucus, it would be after the opposition parties have had their hour but, the chair assumes, before the minister makes the concluding remarks.

Under agreement two departments are to have their estimates considered tonight and on Wednesday as well as on Monday. All consideration of the estimates is to be completed before the normal adjournment hour of midnight on Monday, Tuesday, and Wednesday evenings and 5:30 on Thursday afternoon. The only matter that the chair would add is that under the agreement the first estimate to be considered by the Committee of Supply this evening is Infrastructure, and when we're finished with that, then we would go to Transportation. Anyway, that's just to refresh your memory – this was all given to you last evening by the chair – and just in case there are some people here tonight who weren't here yesterday.

Now, we have Introduction of Guests. The hon. Minister of Children's Services.

head: Introduction of Guests

MS EVANS: Thank you. It is my distinct pleasure to introduce to you and through you to the members of the Assembly this evening – perhaps that's a touch too formal – some wonderful young Albertans who are seated both in the members' gallery and in the public gallery who represent the Forum for Young Albertans, whom many of us have had the pleasure of meeting, talking with, and learning their ideas from today. They are great Albertans, over 50 of them, who I think will be proud inheritors of our legislative

responsibilities some day in the future. Could I just ask the youth assembled from the forum to please rise and receive the acclaim of our Legislature?

MR. NORRIS: Mr. Speaker, if it pleases you, it is an absolute delight to introduce to you and through you a very good friend of mine. He's either a very good friend or he's very silly, because he ended up getting out on the freeway with me every morning at 7 o'clock to wave at traffic. [interjection] Both, yeah. That's the definition of friendship. I'd like to ask him to rise, be recognized, and please accept the warm welcome of the Assembly. It's my friend Quincy.

THE CHAIRMAN: Well, those pleasantries are concluded.

head: Main Estimates 2001-2002

Infrastructure

THE CHAIRMAN: We can now commence this evening's considerations and call upon the hon. minister to begin his remarks.

MR. LUND: Well, thank you, Mr. Chairman, and good evening, ladies and gentlemen. Before I start, I'd like to take this opportunity to introduce some of the staff that are here with me tonight. To start off, I'd like to introduce the new Deputy Minister of Infrastructure, Maria David-Evans. With her we have Ray Reshke, who is the ADM of corporate services, and we share him with Transportation; Malcolm Johnson, the ADM of Property Development; Debra Strutt and Larry James, executive directors, property supply and management; David Bray, director of communications; Tom Hong, executive director, business management; and Winnie Yiu-Yeung, executive director of finance.

Infrastructure's three-year business plan and 2001-2002 estimates indicate how we plan to contribute to Alberta's economic prosperity by managing the development of health care facilities, schools, postsecondary facilities, and seniors' lodges; planning, operating, maintaining, and developing government facilities; and managing services to government departments, including procurement of supplies, disposal of surplus materials, air transportation, and government vehicle fleet operations. We support the provincial government's ongoing strong financial management, which allows us to continue to maintain and enhance Alberta's physical and technical infrastructure.

Infrastructure continues to work with a number of ministries to address priority issues and ongoing initiatives and to increase our effectiveness and efficiency in addressing government needs. These include the Ministry of Health and Wellness, to ensure that long-term regional capital plans are developed in partnership with the regional health authorities; the Ministry of Learning, to plan and develop capital plans, programs, policies, and legislation for K to grade 12 schools and postsecondary institutions; the Ministry of Seniors, on the provincewide upgrading of seniors' lodges; the Ministry of Community Development, to develop and upgrade museums and other cultural facilities; the Ministry of Children's Services, to provide approximately 100 Alberta children's initiative offices across the province; the Ministry of Transportation, to lead the capital planning initiative for the government of Alberta; and the Ministry of Energy, to continue with the energy rebate program.

Overall, Alberta Infrastructure's 2001-2002 budget has increased by some \$2.1 billion from last year. This budget increase includes \$303 million in program funding restored for the capital health facilities and school facilities programs, as this was deferred from last year in order to provide partial funding for the energy rebates;

\$598 million to address costs of the energy rebates program, and this amount includes \$473 million to continue with last year's program and \$125 million for the natural gas shielding program, which is to commence on July 1; \$600 million for health care facilities; \$400 million for school facilities; \$210 million for postsecondary institutions; \$19.3 million to commence the centennial projects program, and this is part of the \$85.4 million transferred from Community Development for the planning, design, and construction of the approved centennial projects; and \$20 million for the operating costs of the Swan Hills treatment centre. This is onetime funding, as our objective is to sell the facility during the year 2001-2002.

I'd like to highlight some aspects of the 2001-02 estimates, including funding for Infrastructure's health care facilities. Additional onetime funding approvals, beginning with the 2001-2002 health care facility project budget, to over \$870 million: these funds will be used to proceed with new capital projects to address waiting lists, priorities, upgrade or replace older, long-term care and acute care facilities, and develop new capacity to meet the need for Alberta's growing and aging population.

In addition, two new centres of excellence are being constructed, one in Edmonton and one in Calgary. These facilities are being constructed at a cost estimated at approximately \$125 million each. Two million dollars will be spent in 2001-02 to develop plans for these facilities. Future year approvals for these two facilities, which are targeted to open in the year 2005, our centennial year, include \$34 million in 2002-03 and \$40 million in 2003-04.

8:10

The cardiac centre of excellence, to be built in Edmonton, will provide surgery including open-heart and transplants, coronary care units, ambulatory care clinics, as well as research in transplants and heart, stroke, and vascular biology. The primary site for this will be at the University of Alberta hospital. The bone and joint centre of excellence, to be built in Calgary, will provide orthopedic surgery including joint replacement and fracture reduction, chronic pain management, rehabilitation, expertise in prosthesis and orthotics, as well as research in bone and joint disease. The primary site for this will be at the Foothills medical centre in Calgary. The result will be shorter waiting lists for these critical services for all Albertans.

Alberta will continue to attract and retain the best people in these fields and produce a centre of expertise with a worldwide reputation. The new centres will build on Edmonton's leadership in cardiac services and on Calgary's excellent reputation in bone and joint research and education.

Alberta schools infrastructure is being improved under the new century schools plan. The multiyear plan commits \$1.075 billion to Alberta schools. This funding is targeted to upgrade viable schools through modernization and to build new schools where they are most urgently needed. School facilities funding allocations in 2001-02 include over \$700 million to address growth pressures and the renovation/modernization backlog identified through the school facilities evaluation program.

The 2001-02 estimate for postsecondary facilities is over \$255 million. The level of funding will help the institutions address various program delivery requirements. I'm pleased to say that we are now in the process of doing comprehensive facility evaluation for the postsecondary facilities. We will be in a better position to determine actual facility requirements once the study is complete.

In 2002-03 \$80 million is targeted for two new health research innovation centres for the University of Alberta and the University of Calgary. Ten million dollars was already provided to these universities last year to allow them to proceed with feasibility

studies. These facilities will be primarily for research and development but will also support the training of highly qualified personnel in the health sciences.

The total cost of these research facilities is estimated at \$220 million, with \$90 million contributed from Infrastructure. The provincial contribution is expected to leverage funding from the federal government through the Canada Foundation for Innovation and the Alberta Heritage Foundation for Medical Research and from private and community partners.

The seniors' lodges program will be provided with \$17.1 million to be used for the upgrading of lodges.

In 2001-02 we will provide about \$40 million for accommodation and program delivery facilities such as Alberta's children's initiative offices and agriculture's food processing plant at Leduc.

We also will have a commitment of \$96.7 million for the operation and maintenance of government-owned facilities. In 2001-02 \$20 million is required from Infrastructure to provide for the operating costs of the Swan Hills treatment plant. We are currently operating the plant as a going concern using a private operator. The government expects to release a request for proposal in late spring of this year, seeking a qualified firm to purchase and operate the facility for the long term. Approximately \$82 million has been allocated to the leasing and operation of private-sector facilities for government program use.

I would also like to mention one other major initiative that is involving the 100th anniversary of our province.

So with that, Mr. Chairman, I will conclude my remarks. I am anxious to hear the praise and the glory that the opposition are bound to put on us for the fine management over the last nine years. Now, you have to remember, though, that you have to put your brain in gear before your mouth.

THE CHAIRMAN: The hon. Member for Edmonton-Glenarry.

MR. BONNER: Thank you very much, Mr. Chairman. It's certainly very valuable advice by the minister, and I certainly hope he follows his own good advice.

Good evening to the hon. Minister of Infrastructure and his colleagues who are able to join us here this evening. The hon. minister has a very big task ahead of him and one that we appreciate takes up a considerable amount of our budget each year. While the responsibility for roads in the province, Mr. Chairman, has gone to his colleague from Vegreville-Viking, the Member for Rocky Mountain House has a lot of bricks and mortar to manage as well. With this year's plans for one more round of onetime spending he looks to be a very, very busy person.

There are some very big-ticket items in the budget this year, and I look forward to receiving a reply from the minister on the details of those programs. I hope that if we're not able to get through all of our questions tonight, the minister will accept a letter with the remaining questions in it, and I know he will agree to that. Thank you, Mr. Minister.

Before getting into the specific program questions, I'd like to make a comment on the challenges of making year-to-year comparisons in this ever changing ministry. Not long ago there was transportation and utilities and the department of public works, supply and services. Then we had the superministry of infrastructure. Now we have Infrastructure and Transportation. It is difficult to hold the government accountable when these changes keep happening, but change is what makes politics fun.

With those comments I would like to move on to concerns that I had when I read through the Auditor General's report. I'm referring to page 180 of the report, where the Auditor General talks about

effective capital asset management systems. He goes on to say:

We found that the Ministry has many of the elements of capital asset management systems in place or is in the process of developing these systems through the implementation of the strategies of the Capital Planning Initiative. We also noted that improvements to the Ministry's systems could be made. Specifically, we noted that the Ministry should obtain additional information on strategic program delivery needs to develop long-term capital asset plans for owned and supported facilities, develop processes for monitoring the implementation of the CPI within the Ministry and review existing plans for the development and implementation of infrastructure management systems.

Now, again, Mr. Chairman, when we look at the incredible number of dollars that are in this budget and the enormous job that the minister is faced with in monitoring and tracking all of these assets and these dollars, then I think that this advice, this sound advice, from the Auditor General is something that the minister certainly has taken into consideration. I would like to know what his department is doing in order to implement this very worthwhile suggestion.

As well, I read further into the Auditor General's report on the ministry financial statements, and I'm referring to page 181 of the report.

In accordance with corporate government accounting policies, the Ministry reports the costs of site restoration in the period in which the restoration work is performed rather than in the periods in which the liabilities arose. In my view, the Ministry should estimate the cost and record the liability for sites that do not meet the required contractual or environmental standards. The estimate of the liability should be refined each year, as the extent of required restoration work becomes clearer. I believe that the effect of this departure from generally accepted accounting principles is significant; therefore, a reservation of opinion is noted in my auditor's report.

Once again I would ask the minister: what is the department doing in order to meet this recommendation of the Auditor General to get back to what is a generally accepted accounting principle at this particular time?

8:20

Now, then, moving along in the estimates, Mr. Chairman. As I mentioned, particularly with the changes in the department, it has been very difficult tracking the dollars, and this is one of those ministries that expands and contracts and has had a number of very significant changes over the last few years. Certainly, as I went through here, I could not find any notes which would assist any person trying to make a wise decision as to how those dollars are to be tracked between the various ministries, and when I looked through the business plans here as well, I also noted that again there were no notes at all to assist anyone when they went through these particular business plans. I also note that this probably would be the proper time to do that, particularly when we looked at the operating budget for the ministry this year increasing by roughly \$2 billion, I think I heard the minister say.

When we look at program 1, ministry support services, for the year 2001-2002 the operating estimate is \$15,364,000. For the year 2000-2001 the operating actual was \$14,357,000, when the operating budget for the same period was \$14,357,000. For capital estimates for the year 2001-2002 the amount was \$410,000, and the capital actual for the year 2000-2001 was \$410,000, and the budgeted amount was also \$410,000 for ministry support services.

My questions relating to these figures. How many full-time equivalents are employed under ministry support services in the year 2001-2002? What is the breakdown of the full-time equivalents by the three subprograms: the minister's office, the deputy minister's office, and support services? My next question: what capital

projects were funded by the \$410,000 in capital investment in 2000-2001, and what will be funded in 2001-2002? Why is there an additional \$1 million needed for operating expenses for ministry support services this year? Also, would the minister please provide us with a breakdown of the \$390,000 in the minister's office budget for the year 2001-2002, and could you please provide that breakdown in salaries for permanent positions, salaries for nonpermanent positions, salaries for contract positions, travel expenses, advertising, telephone and communications, and hosting expenses?

AN HON. MEMBER: Hosting expenses?

MR. BONNER: Yes, we have to host in this department.

Also I would like to know what is the breakdown of the \$385,000 deputy minister's office budget for 2001-02, again for salaries in permanent positions, salaries in nonpermanent positions, salaries in contract positions, travel expenses, advertising, telephone and communications, and hosting expenses. Again, could the minister please provide the breakdown of the \$14.589 million operating estimate for support services in 2001-02 and if he could please give us a category breakdown for business planning and corporate support, communications, financial services, human resource services, information technology, legal services?

Now, then, last year, Mr. Chairman, there was one Ministry of Infrastructure. This year there is a Ministry of Infrastructure and a Ministry of Transportation. Both of these ministries show budgets for ministry support services for 2000-2001, but these numbers do not seem to match the approved estimates for the Ministry of Infrastructure for the year 2000-2001. The capital investment appears to reconcile a portion of the approved amounts that have been allotted to each of the new ministries, but the budgets for the minister's office or the deputy minister's office do not seem to split out. It is very difficult for Albertans to see how much the supersized cabinet is costing.

Accurate reporting on this account is very important, because back under the old ministry of transportation and utilities the minister's office had a budget of \$220,000, and public works had a ministerial budget of \$270,000. Under the superministry of Infrastructure the amount was \$388,000. Now that we have two new and improved ministries, Infrastructure and Transportation, the combined cost for ministerial offices is \$775,000. That's \$390,000 for Infrastructure and \$385,000 for Transportation. Would it be possible for the minister to check with the accountants and provide an explanation as to how they arrived at the 2000-2001 budgets and actual numbers for these ministries?

Mr. Chairman, when I was going through and looking over the various goals and the business plans that occurred, I was quite amazed that we did have some key results, we had strategies, we had a number of different items that were looked at, but in all of this I could not see a column which stated the outcome. In other words, what was the target for the particular year for many of these strategies? Was that target reached, was it exceeded, or did it fall short? When we see numbers like 90 percent or 75 percent or whatever, this really doesn't mean too much. So I certainly would like to see in future years that there is a column for outcomes where we can track in a very definite manner what has happened as far as performance, as I mentioned earlier, in the three categories: whether we fell short, whether we achieved it, or whether we surpassed it.

Now, looking at program 2, construction, upgrading, and operation of infrastructure, I note here that for the fiscal year 2001-2002 the operating estimate is \$11,827,000. Last fiscal year the operating actual was \$118,557,000 and the operating budget for the same year was \$112,703,000. I also notice that for the year 2001-2002 the

capital estimate was \$705,000, the capital actual for the year 2000-2001 was \$1,523,000, and the capital budget for that same year was \$830,000. Now, my questions in regards to construction, upgrading, and operation of infrastructure. How many full-time equivalents are employed under program 2, construction, upgrading, and operation of infrastructure? What is the breakdown of the full-time equivalents by the subprograms in program 2?

8:30

When I look at the budget line 2.1.1, health care facilities, under facilities infrastructure, I notice that the operating estimate for 2001-2002 is \$750,100,000. I also note that the operating, lotteries, for this same fiscal year is \$120 million, that for the year 2000-2001 the operating actual was \$70 million, and that the operating budget for that particular year was \$48 million. So looking at these particular figures, Mr. Chairman, my questions to the ministry. In the ministry's business plan, funding for health care facilities is targeted at \$870 million this year, then dropping to \$81 million in 2002-2003, and then back up to \$132 million in 2003-2004. Can the minister provide some explanation for this spending pattern? Also, in health care facilities, will the minister provide a list of all projects being considered for 2001-2002.

The next line I would like to look at is line 2.1.2, school facilities, and I see that in the fiscal year 2001-2002 the operating estimate is \$555,030,000. For the same period the operating, lotteries, is \$150 million. In the year 2000-2001 the operating actual was \$130,030,000, and for 2000-2001 the operating budget was \$60,030,000. My questions to the minister in regards to school facilities are: will replacement of and repairs to schools be funded based on the recent and very detailed report on the status of our schools' infrastructure, or will school infrastructure be funded and repaired based on political expediency?

As well, on page 222 of the minister's business plans the strategy is to use \$705 million in 2001-2002 "to address high-priority requests." I would like to know what makes a request a high priority. Is this a priority as set up by school boards, or is there some other measure which is being used to determine priority?

As well, I'd also like to look at line 2.1.3, postsecondary facilities. I note here that we have an operating expense for the year 2001-2002 of \$195,700,000, and we have an operating, lotteries, for the same period of \$60 million. For the year 2000-2001 we had an operating actual of \$33,400,000 and an operating budget of \$17,400,000. In looking at postsecondary facilities, I would like to ask the minister about funding from Infrastructure, which has an effect on postsecondary operating budgets and therefore an effect on tuition levels. We see a great difference between the budget and the actual for postsecondary funding in 2000-2001. So if the minister could please fill us in as to why there is such a difference in this particular situation.

The last item I'd like to discuss at this particular time, as I see my time is running out, Mr. Chairman, is seniors' lodges. I see that our operating estimate for 2001-2002 is \$7,100,000. The operating funded by lotteries for the same period is \$10 million. For the previous fiscal year, 2000-2001, the operating actual was \$5,800,000, and for the same period the operating budget was \$7,100,000. What I would like to ask the minister is why there is no increase in the budget for seniors' lodges despite the aging population.

I will end my questions at this particular time. Thank you very much, Mr. Chairman.

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

MR. MacDONALD: Thank you, Mr. Chairman. I will carry on with the questions that were being pursued by my colleague from Edmonton-Glengarry, particularly regarding seniors' lodges. The minister in his opening remarks addressed the fact that we have an aging population in this province, and I am concerned certainly about not only the quality of the existing seniors' lodges, but also I have concerns about the speed at which we are constructing new facilities. In this budget, is the budget for seniors' lodges going to create new spaces or just renovate existing ones? What are the government's plans this way? What inventory of seniors' housing is the government expecting it will need in the next 10-, 15-, and 20-year period, because I would love to see some long-term planning from this current government. I think it's very, very important, and we need to study other jurisdictions just to see exactly how they are providing quality, affordable housing for seniors.

Now, in the ministry's business plans for the year 2001 through to 2004 I understand they show funding for seniors' lodges decreasing to \$12 million in 2002-2003 and then down to \$8 million the following fiscal year. Our population is getting older, not younger. To the hon. minister: why is this funding level this way? It seems to me to be going in the wrong way, because we always hear from ministers and from hon. members in the government that we have an aging population. We have a crisis in this province. Just look at health care. But when I look at this, that concern is not reflected.

8:40

Now, the Swan Hills waste treatment plant. Another \$20 million. I don't know when this is going to end. I don't know if it will ever end. It just astonishes me. It's all innocent funding, a little bit more and a little bit more. Certainly we're over the \$470 million, and I think this is going to bring us up to \$490 million and counting. We had very little money for the poor, for seniors, yet for the Swan Hills waste treatment plant there's no tomorrow.

I would like to bring attention to the Financial Administration Act, section 49.1, outlining when the government must bring business dealings before the Legislative Assembly. The Premier, Mr. Chairman, in question period has offered to table some documents relating to the Swan Hills waste treatment plant, because there are many, many unanswered questions there.

Now, I would ask the minister to please look at section 49.1(3) of the Financial Administration Act. Un program 2.1.10 for the Swan Hills waste treatment plant, the "waste" part has been removed from the title in the budget documents. This should have been brought before the Assembly. The act, as I understand it – now, I could be corrected here – does allow for some exemptions to this clause. So I'd call on the minister to either table the documents so these estimates can be voted on and so we all know what's going on here or indicate the exemption being used to prevent Albertans, the taxpayers – they're the ones that have lost millions of dollars here – from seeing how their money is being invested.

I don't believe I even should use the word "invested." I should use the term "lost," because it's been going up that incinerator stack, and it's just amazing. We're out of the business of being in business, we're told, but not whenever I see a \$20 million line item here. We are not out of the business of being in business. We are still funding that, and I would like to know what this \$20 million figure is based on. We are paying some very significant management fees, as I understand, for this plant. Also, on page 222 of the ministry's business plans there is an identified strategy to manage the Swan Hills waste treatment centre "during transition and develop and implement a long-term strategy for the facility." Any background the minister can provide on this initiative would be appreciated. [interjection]

Now, that's a very interesting question, about the environmental damage, because we know, Mr. Chairman, that there was some faulty welding in the waste treatment plant that led to a substantial release of PCBs, furans, and dioxins, and the taxpayers are going to have to pick up that bill. I'm wondering if the minister has had any studies done on what exactly that bill is going to total.

While I'm at it, I would also be curious just to see how far we've come along, if at all, with the construction of the proposed chain-link fence that was to be constructed around the waste treatment plant as part of the creative sentencing in the famous court case that occurred where the treatment facility was fined over \$600,000, I believe, for two charges from the Environmental Enhancement and Protection Act. There was a fence to be built to keep the large mammals at the top of the food chain from grazing in the immediate vicinity.

The minister is smiling. This is the proposal that was put forward. Now, I don't know whether it's gone forward or not. The hon. minister is in a much better position to know than I. I'd have to drive up there and have a look and I just don't have the time, but I would be very curious just to see if that fence has been constructed. It was an area of 1.5 kilometres in a circular pattern from the centre of the plant. This was one of the solutions. I believe it was to cost half the total sum of the fine, close to \$300,000. If the minister could look into that, I would be very, very grateful.

Now, will the minister provide some background information, please, and details on what is covered under the program services relating to energy rebates on line 2.2.1, and on line 2.3, program services, please, and also for financial transactions, line item 2.4. There is an operating estimate here of \$2 million. If the minister could please explain what the \$2 million budget for the program on line 2.4.3, consumption of inventories, covers.

We're getting to the next program, and that's program 3. My colleague from Edmonton-Mill Woods has some questions regarding cross-government services and the air transportation services, and I know he's quite anxious to ask those.

I have a few more questions from the business plan. Now, I see that goal 1 is that we're going to "enhance infrastructure planning and management." On page 221 we are discussing participation in the "development of a policy framework and guidelines for public/private partnerships." Oh, we're going to have more private/public partnerships. What guidelines are currently in place for these partnerships? What is the process for developing this framework and guidelines? Can the minister please provide some examples of the public/private partnerships? Please don't say Bill 11.

Now, we see here on page 221 as well that there is going to be some assistance. We're going to "assist consumers by reducing the cost of natural gas, propane and fuel oil through monthly rebates." This is a business plan until the year 2004. Does the minister see this as a viable program until 2004? Other members of cabinet are confident in their assurances not only to myself but to other Albertans that this is just a spike in natural gas prices. In fact, the hon. minister himself the other evening in the Assembly said that it was a real sharp spike. Does the hon. minister expect this real sharp spike to last until the year 2004?

Now, also on page 221 there is a discussion regarding working with "all government departments, industry and external stakeholders to achieve a reduction in power consumption." Well, this side of the House wanted to lead by example and have all government departments and offices reduce their electricity consumption by 10 percent. Mr. Chairman, sometimes I look up at the ceiling of this distinguished Assembly and think that perhaps the minister should take some light bulbs strategically out of there in a grid formation, and that way we could spell "no more deregulation." We

could serve two purposes with that. We certainly could be sticking to his business plan here, and we could be saving electricity at the same time. Every time one of the members of Executive Council leaned back in their chair, they would be reminded of the folly of what they attempted with their plan to deregulate our electricity generation system. It would be a good idea, yes.

Now, by keeping energy prices artificially low – this is also in relation to page 221 – what are the minister's specific plans to reduce power consumption?

8:50

On the next page, 222, there is a discussion on developing "a facility to accommodate the provincial archives." Where does the minister anticipate the archives being moved to? What options are being considered at this time? We certainly need a permanent home for the archives, and I think it should be within a short walking distance of the Legislative Assembly. I saw the hon. minister himself, I believe with a couple of his assistants, the other day at noontime at Jasper and 107th Street, busy chatting, waiting for the light to cross, Mr. Chairman, and that would be about the maximum distance away from the provincial parliament that I would like to see the archives built.

Now, there are some people who expressed an interest in putting it down at the power plant, but all their important papers on the floodplain – I don't know how often that floods, but the minister will study this. If there's a hundred-year flood on the flats, then I don't think that's an appropriate place for the Provincial Archives but certainly somewhere within a distance of the Assembly. I would be delighted if that were to be one of the works that is to be concluded by our centennial year. I think it would be a very worthwhile project, and it's a project that will benefit generations and generations of Albertans, including scholars who will be coming to study the hon. minister's political career. I don't know how many different ministries he's been in charge of, but surely there are going to be people going through the papers, and they can have a look at just exactly what was accomplished by the individuals in this Assembly.

Also on page 222 there's a discussion to "renovate and expand the Food Processing Centre in Leduc." What are the specific plans for renovating and expanding the food processing plant in Leduc?

Also on page 222 what options are being considered for the Westerra Building in Stony Plain?

As my colleague from Edmonton-Glengarry stated, certainly if the minister in due time can reply in writing if the answers aren't available immediately for these questions, that will be fine.

Mr. Chairman, in closing my questions at this time, I would like to thank the hon. minister for his attention, and I wish him well in his portfolio. Thank you.

THE CHAIRMAN: The hon. Member for Edmonton-Highlands.

MR. MASON: Thank you, Mr. Chairman. I appreciate the opportunity to make these brief remarks vis-a-vis the 2001-2002 budget estimates for the Ministry of Infrastructure. The Department of Infrastructure has advanced a business plan that ostensibly identifies the priorities and concerns of the ministry. According to this plan, the people of Alberta are the primary concern, followed by their prosperity and their preservation.

Yet after reviewing the budget estimates for this fiscal year, it becomes clear that there's little agreement between those who created the business plan and those who completed the estimates. Indeed, projected spending of this ministry unmasks a profound ambivalence towards the people of Alberta at best and, at worst, sheer disdain for their prosperity and their preservation. With

certainly one who contrasts the business plan and the spending projections would be convinced that there might be two divergent schools of thought within the government department.

We are all well acquainted with the fact that school classroom sizes are growing steadily larger and that waiting lists for medical procedures are likewise growing steadily longer, yet it is the minister's intention to allow the Swan Hills treatment plant to burn more of our hard-earned dollars, \$14 million more than last year. The ministry is also proposing to spend \$19.4 million on centennial projects. This is in addition to tens of millions of dollars of centennial projects and celebrations that are being funded by other ministries like Community Development. Where, oh, where, Mr. Chairman, is that big, tough just-say-no Provincial Treasurer when all the ministers are having a party at taxpayers' expense?

My questions to the Minister of Infrastructure are these. First, how can the government further justify pouring yet another \$20 million into the Swan Hills treatment plant given the fact that it has already incinerated almost \$500 million of taxpayers' money during its troubled existence? Why do we continue to throw good money after bad when it comes to this costly white elephant? Does the government have an exit strategy when it comes to the bleeding of red ink as a result of taxpayers' support of this facility?

Second, what useful purpose is served by the expenditure of \$19.4 million for so-called centennial projects out of the Ministry of Infrastructure's budget? Am I saying that these funds are necessarily wasted? No, Mr. Chairman, I'm not, but there is no way of telling here. Are these funds being directed to community facilities owned by voluntary organizations? Are they going to schools and hospitals? Is the main purpose to provide photo ops for government MLAs to hand out cheques to community groups that lead up to the next election?

AN HON. MEMBER: Oh, you're so cynical.

MR. MASON: Mr. Chairman, I'll just digress a little bit. I've certainly been involved in municipal government for many years before this and am quite aware of how government MLAs can show up regularly with a cheque in hand and how few times we saw opposition MLAs in the same position. You know, time and time again there was the government member, but of course our opposition members were often just empty handed. It's not difficult to be cynical about this government; that's for sure. I'm accused of being cynical but, I can tell you, with very good reason.

Now, I want to talk a little bit about energy rebates. There's an estimate here of \$598 million. The budget overview indicated that government expected to spend \$125 million on natural gas rebates under its natural gas price protection plan. Is the \$598 million in the Ministry of Infrastructure budget on top of the \$125 million, or is it part and parcel of the same program? If so, why is there a discrepancy between the two numbers?

Fourthly, the Ministry of Infrastructure is incorporating into its budget estimates spending not only for this budget year but is also spending for next year and for the year after that, and that's on page 275, Mr. Chairman, of the estimates. It's pretty clear when you look at the amounts being expended, which are going from about \$700 million last year to over \$2.1 billion this year. This is what I was trying to get at with the Provincial Treasurer in question period.

What we're seeing is the government including in this budget \$2.1 billion of spending, and that spending will take place in subsequent years. That's not in accordance with normal budgeting practices. Normal budgeting practice would be to put that aside in a reserve fund and clearly indicate that it was to be spent in future years. But instead we have future years' funding, \$2 billion worth, that's in this

budget, and the result is that the government has been able to show, despite its very conservative budgeting around oil and gas prices, a relatively small surplus for this year, when if you really took a look at it and carefully analyzed it according to normal budgeting processes, the budget would show a surplus of nearly \$3 billion. I think that is irregular, Mr. Chairman, and I think that it needs to be responded to in a little more detail than the answer we got from the Provincial Treasurer in question period last week.

A lot of this money is being paid to regional health authorities, school boards, and universities and colleges. Will the amount not just for this year but also for the following years be paid out of this year's budget? If the moneys are being paid out this year, will school boards and health authorities be allowed to put them into separate accounts and draw interest from these accounts? Will they be allowed to use the interest and spend it on things other than capital infrastructure? I think these are things we need to know.

Now, I want to just deal a little bit with the entire situation around utilization formulas. It's very clear that the government is withholding, as a matter of policy, funds for new school construction where they're needed as well as funds to rehabilitate and restore older schools, maintenance money, as a hammer over the heads of the school boards in this province to force them to close schools.

9:00

Now, time and time again the Minister of Learning, the Minister of Infrastructure, and the Premier have stood up and said: the government doesn't close schools; it's the school board that closes schools. They wash their hands of it like Pontius Pilate. But I can tell you that the school boards know and the parents know that the hammer is being held by the government, and it's a deliberate policy decision of this government to force school boards to close schools.

Often those schools are in the poorest neighbourhoods, where it is most difficult to move through busing. Often kids, for example, in these neighbourhoods are the most responsible members of the entire family. They get themselves up to go to school, and they're often late. They come to school hungry and they come to school late, but they got themselves there because they're the ones that are responsible in the family. This is all too common in some of these communities. This may not be something that's readily apparent to people who haven't spent time in the inner city. So if the child misses the bus, then there's no one to get him to the school in the next community. That's a really sad result, I'm sure unforeseen by the government, of closing some of these inner-city schools.

These inner-city schools don't necessarily need all kinds of fancy programs. It's more important to have a school in the neighbourhood, in the community where kids can walk and where there are small classes and caring teachers. It forms an essential link in maintaining at least the semblance of a healthy community in an inner-city neighbourhood. When you take these away, all hope of revitalizing that community is lost.

To revitalize some of these communities – and some of them could be very nice. They have tree-lined streets. They have nice older houses. They're close to downtown. They have great potential. But when you take away the school, no family will move there; they'll move somewhere else. So any attempts by the people in that community or by agencies or by the municipality to revitalize that community will not be successful after the school is closed. Of course, then you have more urban blight. You have conditions that breed more crime, more poverty, and the community continues to deteriorate. It's a very sad situation. I wish the government would come up with some creative ways to make more effective use of school space that didn't involve the closure of schools.

I think when we talk about the utilization formula, we need to also

take into account that the government insists that things like libraries, computer rooms, or leased-out space cannot be counted in the utilization formula. So attempts by the schools to use the space in other ways is completely irrelevant to the purpose that they set themselves of trying to revitalize the school. The formula makes it almost impossible for schools and school boards and communities to save these schools. Even if they find a good use for it, whether it's an external use and the school board gets a little bit of money from renting it out or an internal use like setting up a computer lab, it doesn't make any difference in terms of the overall utilization rate that the school board reports to the ministry. As a result, they don't get anything for it. I think it's really a sad situation.

I hope the government's review will move quickly in this respect. I wasn't able to get a good answer to that question earlier last week, but I hope it goes ahead. I think we need to raise the whole question of the rationale of the Infrastructure department. The assumption is that if it's a building, it should be in this department, so you get a division between this department operating and looking after buildings and another department making use of them. I don't think that's necessarily the most efficient way to deal with it.

I would like to suggest, Mr. Chairman, that the government in the process of this review take a look at transferring control over school buildings and particularly the maintenance of older schools back to the Ministry of Learning, away from the Department of Infrastructure. I don't think it's efficient to say that the building you're in is run by one department and the functions that go on in that building are run by a different department. One department should have control of all of its resources if it's going to use them effectively. So I'd encourage the government to take a look at that as part of their review. Certainly we need to have a more sensitive approach to the utilization formula than we have so far, and we need to have it soon because schools are closing very quickly. Alex Taylor school and McDougall school are already proposed for closure, and Sacred Heart is coming up. I think these are very tragic decisions that have been forced on the school boards.

So, Mr. Chairman, that will conclude my remarks with respect to the estimates of the Department of Infrastructure, and I look forward to the responses from the minister to my questions. Thank you.

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

DR. MASSEY: Thanks, Mr. Chairman. I, too, am pleased to have an opportunity to ask some questions about the Infrastructure budget. I guess I would like to put into question form the comments made by the previous speaker, and that is to ask: is consideration being given to returning the School Buildings Board to the Learning department? Is that under active consideration? School boards have indicated that the split of the buildings away from Learning has now doubled their work. They have to make their case with Learning, and now they have to also make their case with Infrastructure. It seems not to be a very efficient way for decisions to be made. So my question is: is there active consideration to returning the responsibility for school boards to the Learning department?

I wanted to talk, too, and ask some questions about the utilization formula. We've heard and we've been told that there are changes under way to the utilization formula, and I think it's time it was recognized for exactly what it is. It's a mechanism for capping the amount of money that's spent on new schools and school construction. It's a very blunt instrument for accomplishing those goals, and it's an instrument that is very, very hurtful.

I don't know how many school closing meetings the minister has attended since he's been Minister of Infrastructure, but the agony of school closure is not felt in this Assembly; it's felt by citizens in

those communities. When you attend those meetings and see the passion and the tears at decisions that are made that will close a school and, in many instances, close a community – and I don't know how many times the minister has attended those meetings. If he hasn't, I would urge him to attend a number of them and to see how you can't stand in this Assembly and make a policy and divorce yourself from what happens to citizens when that policy is implemented. You can't back away from the policy decision and say: oh, that's the school boards' fault. It's not. The school boards are implementing a provincial policy, and they're the ones that are held responsible.

So I would make a plea, if nothing else is done out of this discussion about Infrastructure, for the minister to spend some time at those school closure meetings and then to sit down and look at the utilization formula. Surely it does not serve us well when we have citizen against citizen, community against community, fighting over school facilities. Certainly we can be more creative in terms of the use of that space.

9:10

In terms of the use of that school building space, there's an item in the business plan to "establish approximately 100 Alberta Children's Initiative offices in existing and new leased space." My question to the minister is: are schools being considered for those children's initiative offices? What other creative uses of the space, community uses of that space is the ministry considering and would use, if the utilization formula does prevail, to help boards reduce their space and that would strengthen communities? I think we'd all agree that for many communities and neighbourhoods that community school is the heart of the community, and the more services that can be offered out of the building when there is space available would seem to be to the benefit of communities. So my question is specifically about those children's initiative offices and how much work has gone into making sure that they're in empty spaces.

In terms of empty space, again, I'd ask the minister to look at some of the things that have been done with space that has been closed and mothballed and then reopened. I give for an example the Bennett centre in the river valley here. The school board closed Bennett school for a number of years. It was mothballed, and then it was reopened as the Bennett environmental centre. It serves not just Edmonton public but serves the surrounding area, and classes come in from across the province. It preserved an old building that has a rich heritage in this community, and it also has served youngsters extremely well from across the province. So my question is: are boards being encouraged to mothball? Are they being encouraged to dispose of extra space? Is there active seeking of uses of that space which, like the Bennett centre, are possibilities?

I look at Donald Ross in the flats. I think the school board still maintains ownership of that building, but it's been used extensively. It was used by the Commonwealth Games, I think, when they were in the city. I believe it was used when they were planning the capital city parks area. The provincial government put money into that.

Again my plea is: can there be creative uses of that space that maintain it as a centre for the community and make it available should the opportunity for revitalization come about, that there's a school facility there? I think you'd agree that if a board disposes of land in the heart of the city, the chances of ever getting that back for school purposes are rather remote. It's going to be very, very difficult to acquire that land. It'll just be too expensive. So the concern about unused space.

I have another concern, and I should know the answer, but maybe the minister can tell me. What happens when a building is sold? Where do the proceeds go? Do they go to the local board, or do they

go back to the provincial government? What is done with buildings? For instance, I think of Glenora school in Edmonton. It was funded entirely out of the operational budget of the school board at that time. There were no provincial funds put into it. I think at the time the province indicated that they wouldn't support it, so it was funded out of the operational budget. What happens if a building like that is sold or, in the case of many buildings, where the province paid part of the building costs? I remember that when I was on the board, they would pay a percentage, and the local board through the local requisition picked up the difference. The local community then has an investment that is beyond the provincial government's investment in those buildings. What happens to that money when those buildings are sold?

I look at the business plan of the ministry, and there are some really interesting key strategies. I go back to the comments of the Auditor General. The Auditor General makes the comment:

The business plan is a performance contract with the Legislature and the public. When it does not clearly describe the performance measures then various interpretations are possible.

I wonder where the performance measures are. Are they coming? How will we know, for instance, if these objectives and key strategies are met? For instance, goal 4, number 3, "measure client satisfaction with services provided by Alberta Infrastructure through an annual survey of stakeholders and clients." What is the measure that is going to be used, and how will we know next year when we come back to this whether that measure has been met? I think that same question applies to a lot of the items in Infrastructure.

Thanks very much, Mr. Chairman.

THE CHAIRMAN: Any further comments, questions?

The hon. minister.

MR. LUND: Thank you, Mr. Chairman, and thanks to the members that have participated in this discussion. Now, there were a lot of questions, and we'll try to answer some of those questions that were asked. I want to just make a few comments on some things that were policy as opposed to direct questions on the business plan and on the budget.

The first one I want to comment on is the Swan Hills Special Waste Treatment Centre. As I said in answer to questions in question period, that plant is extremely important to the province of Alberta, and for the life of me I can't understand how people that pretend to be wanting to protect the environment are anxious that we shut that plant down. What is going to happen to that waste? Where is it going to go? The fact is that we are the only province that has no PCBs, and that's because of the Swan Hills plant. Also, the dioxans, the furans, some of those other hazardous materials: where are they going to go? What's going to be done with them?

I think it's just irresponsible for people to talk the way they are about that plant. Certainly we are going to try very hard to move it out to the private sector, but I can tell you that we are very anxious that that plant continue to operate and continue to keep this environment clean in the province of Alberta.

The energy rebate: I find that one kind of interesting as well. We have before us Bill 1, and that talks to the energy rebates in the future. I'm afraid that maybe I don't have a crystal ball like the hon. Member for Edmonton-Gold Bar, yet the fact is that we don't know. Maybe in the year 2004 there will be a spike. We don't know. This last one came up on us – nobody knew that was coming – and there may be one in the future. Bill 1 puts in place a mechanism so that in fact we can respond to those kinds of situations. So we need some money in the budget to operate that, and that's what the \$125 million is.

Talking about conservation and what we have done, currently the province has put in place a program, and we are well along the way

to addressing conservation in all of our buildings. As a matter of fact, we're 50 percent done. It's really interesting, as well, when you look at what the government has done as far as greenhouse gas emissions. We are 19 percent below – below – 1990 levels. Ask your kissing cousins in Ottawa where they're at in their whole infrastructure. They're a long ways from that.

There were comments made about the archives and where they might be going. I don't know. We're not that far along in any kind of planning.

I found it interesting that Edmonton-Highlands doesn't seem to realize that operating and maintenance are in the hands of the school boards. It's given to the school boards. We do not do the operating and maintenance. So when you talk about the lack of operating and maintenance, we give block funding from education to school boards for the operation and maintenance of their schools. That's not something that we do.

The utilization issue is an interesting one, but I'm sure that the hon. member would not be excited about going back to the old schools where you have grades 1, 2, and 3 in one room, one teacher: that sort of thing. That's what will happen if you're going to continue to have schools very close to one another and not having the pupils to put in them. So that's part of what this utilization is. It's not the only factor that leads to closing, but that is a part of it.

9:20

The use of old schools. Yes, very good comments, and it's something that we are currently looking at. When a school is closed, there are options. The first, of course: is there another use as a school? The second would be: is there use by the government for one of their departments? Then to nonprofit and then, of course, to the private sector.

THE CHAIRMAN: That concludes the time portion.

After considering the business plan and the proposed estimates for the Department of Infrastructure, are you ready for the vote?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

Agreed to:

Operating Expense and Capital Investment	\$2,832,240,000
--	-----------------

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

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

Transportation

THE CHAIRMAN: Again, to begin this evening, we'll call on the Minister of Transportation.

MR. STELMACH: Well, thank you, Mr. Chairman. Before I start with my opening comments, I'd like to introduce the ministry staff that are with us this evening. The gentleman who bought a brand-new suit for the night's event, sitting in the front row, our new deputy, no stranger to many people here: Jay Ramotar. Gregg is right behind; Gregg is the chair of transportation safety services. We have Mr. Lyle O'Neill, the gentleman with the white hair over to the right, acting ADM, transportation and civil engineering. We have someone that's doing double duty today. He sat through the hon. Minister of Infrastructure's presentation and will sit through mine,

Ray Reshke, who is the assistant deputy minister of corporate services. He's doing duty for both departments. Brian Marcotte is executive director, policy and planning. Up front is Leanne Stangeland, director of communications. I know Winnie was here before; and of course Tom Hong, executive director of business management.

I'd like to thank them all for supporting me this evening, and I'd like to thank them for the excellent work over the past year. Quite frankly, they must be suckers for punishment, because they're still with me in this rearranged portfolio of Transportation.

Alberta's road systems are facing tremendous pressures as a result of the province's rapid economic growth. The flip side of growth pressures, of course, is growth opportunities, and developing a highway network which meets the needs for future years will only add to Alberta's future growth and prosperity.

The separation of Transportation into its own ministry shows how important safe and efficient highways continue to be to this government. Now that we have taken over responsibility for the former secondary highways and key primary highways through cities, it makes even more sense to have a ministry dedicated to these tasks.

Now, the main businesses of the department are transportation infrastructure and transportation safety. We'll keep working to continually improve the province's highways through the management of planning, design, construction, and maintenance activities.

A second core business of the ministry involves water and wastewater management as well as the management for the design, construction, and maintenance of major water management projects. Alberta Transportation will employ 824 people, with a total budget of \$1.54 billion. Taking on the responsibility for secondary highways and key primary highways through cities requires the recruitment of additional staff to undertake the appropriate level of support and operations. I'm glad to say that this will be achieved without additional funding. Budget dollars have been reallocated within the ministry to accommodate this requirement.

Also, Alberta Transportation and Infrastructure will share corporate support services including human resources, business management, information technology, and finance. This approach, of course, is consistent with the government's overall objective to share services and resources wherever feasible.

For the upcoming year we'll continue to carry out recommendations of the Premier's Task Force on Infrastructure as they pertain to Transportation. To this end, we have received \$200 million in advance funding. Approximately \$35 million of the advance funding will be used to accelerate construction of the north/south trade corridor. The corridor runs from the U.S. border at Coutts to the B.C. border west of Grande Prairie. The highways making up the corridor will all be four lanes by the corridor's completion in 2007. The key objective is providing a safe and efficient highway corridor to accommodate increased trade traffic from the United States and Mexico. Since 1993 Alberta's trade with the United States has increased 60 percent, while trade with Mexico has gone up 279 percent. That is why the corridor is important.

Overall, Alberta Transportation will spend \$196 million in corridor-related projects this year. Major projects include continuing the twinning work on highway 43 between the junction of highway 16 west of Edmonton to the B.C./Alberta border west of Grande Prairie; the continued construction of Anthony Henday Drive, or the Edmonton southwest ring road, and this road will connect highway 2 south of Edmonton to highway 16 west of Edmonton; continuing the extension of the Deerfoot Trail in Calgary through the southern city limits to link up with highway 2 just outside of Okotoks; and the continued paving of highway 4 from Coutts to Lethbridge.

We will continue the Alberta cities transportation partnership

program in 2001-02. Under the program the cities of Edmonton and Calgary receive funding based on the equivalent of 5 cents per litre of road fuel delivered for sale in the respective cities. For Edmonton this translates into approximately \$65 million a year and \$85 million for Calgary. Other cities continue to receive the basic capital grant funding of approximately \$60 per capita. Towns, villages, and summer villages also receive cost-shared grants under the street improvement program. Total funding is \$51 million.

The grants to rural municipalities program provides annual formula-based grants to assist counties, municipal districts, special areas, and Metis settlements to develop and upgrade a network of local roads and bridges, and this program is budgeted at \$132 million for this year.

In addition to municipal transportation funding programs the Premier's task force also transferred full responsibility for former secondary highways to the province. This includes construction, maintenance, and rehabilitation. A budgetary shift from operating to capital expense comes from the department contracting out the work rather than giving grants to municipalities. Estimated spending: \$171 million.

The resource roads/new industry program will carry on. The program provides funding assistance to municipalities to upgrade local roads or bridges impacted by resource-based truck traffic. This program also assists municipalities to improve roads affected by the new industrial resource or value-added developments. Total funding: \$34 million.

Now, there's more to Alberta Transportation than building roads, and that is of course ensuring traffic safety. It's a vital function of this ministry. Transportation safety services estimates will increase \$3.1 million, or 15 percent, that again relocated within the ministry to accommodate the hiring of additional officers and will continue to do the work in areas like driver licensing, licensing enforcement, impaired driving programs, dangerous goods monitoring, and monitoring the commercial carrier industry.

Through innovative partnerships we'll support municipalities in solving their overall transportation, wastewater, and water infrastructure needs. The effective management of water resources aids our economic growth and enhances the quality of life for all Albertans. Funding for municipal water and wastewater is \$35 million in 2001-02 and \$33.6 million for water management infrastructure.

9:30

We are also supporting municipal infrastructure needs through the infrastructure Canada/Alberta program, ICAP for short. It's cost shared equally by three levels of government and targeted to green infrastructure projects and really to water and wastewater treatment upgrades. Over the program's six years we'll contribute \$171 million. We budgeted \$138 million this year for ICAP.

I wish to mention that \$200 million in program funding which was deferred last year in order to provide the partial funding for the energy rebates has been restored to the ministry and the municipal partnerships it was intended for.

Having efficient, world-class road systems is vital to Alberta in achieving its vast economic growth potential, and it's equally important to have, of course, safe roads in the province.

I was remiss earlier in making the introductions. Someone who has stuck with me since May of 1997 is, of course, my executive assistant, Ron Glen, who is also sitting up with the rest of the group.

Mr. Chairman, that brings my opening comments to a conclusion.

THE CHAIRMAN: The hon. Member for Edmonton-Glenarry.

MR. BONNER: Thank you very much, Mr. Chairman. It is a

pleasure to rise this evening and make some comments and some observations on the Ministry of Transportation. I'd like to thank the hon. minister and his ministry staff for joining us here this evening and providing some insights into the ministry.

The first thing I'd like to do is commend the hon. Minister of Transportation on his previous job as minister of the supersized Ministry of Infrastructure. I'm sure he's enjoying the task of being able to focus on providing Alberta with the best blacktop in the country.

I have just a few remarks this evening, Mr. Chairman, before I begin my questions. As I requested last night in the Municipal Affairs estimates, I hope the minister would be able to receive a letter with additional questions if time does not permit all of our queries to come onto the table this evening. Thank you.

Unlike other ministries, Transportation is very, very focused. They build the roads and keep them safe. This seems to be the task at hand. Anyone in Alberta with even a short political memory will know that pavement is political in this province. One thing that I have found difficult in going through these estimates for this ministry – I mentioned this in the debate on the Infrastructure estimates, but I think it's important to repeat, Mr. Chairman – is that it is a difficult task in comparing year-to-year numbers when a ministry is always being reorganized. Albertans want their government to be accountable, and as a member of the Official Opposition it is my job to be their voice and to ask the tough questions. Well, when the numbers keep changing, the questions keep getting harder and harder to ask. While the business plan is detailed, I think there should be some mention of how this fits into the old ministry so that the reader has a better perspective on the new ministry.

Again, as I mentioned earlier in my comments on the Ministry of Infrastructure, it certainly would be quite appropriate and quite in order for there to be some explanation as to how the dollars flowed in the old ministry and how they impact the two new ministries which were formed when the split occurred.

With those comments, Mr. Chairman, I would like now to begin my questions. Once again, in looking at the whole performance measures, looking at the business plans and whatever, I see a set of performance measures that really to any persons looking at these do not make a whole lot of sense. I refer on page 442 here to Mechanical Safety of Commercial Vehicles. It says that the maximum percentage of inspected vehicles requiring on-site adjustments in 1999-2000 was 23.3 percent. Now, what does that mean? When does that become a meaningful figure? Well, it certainly doesn't become a meaningful figure until such time as we know how many vehicles were tested. Of course, at that point, then, we can determine just how many of these on-site adjustments were required. Then it really does become a meaningful number.

When we look at the targets for 2000-2001, 2001-2002, and so on, again percentages mean absolutely nothing, and it is very difficult to compare if we don't know how many vehicles were inspected. How can you have a target when you have not said how many vehicles are going to be tested? Again, when we have a random number that are selected, it gives us a percentage. I think that percentage with an adequate sample would prove to be true, but again we don't know how many vehicles are being tested year to year. I would certainly in future years like to see a much better system used for performance measures that are much, much more meaningful than straight percentages.

Now, then, moving forward here with my questions and looking at program 1, ministry support services, we see here that in the year 2001-2002 we have an operating estimate of \$13,960,000. We have an operating actual for the year 2000-2001 of \$17,589,000 and an operating budget for 2000-2001 of \$17,544,000. When we look at

the capital estimates for the current fiscal year, it is \$5,907,000, and for the previous fiscal year the capital actual was \$6 million as well as the capital budget.

[Mr. Klapstein in the chair]

Now, again, to give us a real sense of just how these dollars are being spent, it is critical that we know how many full-time equivalents are employed under ministry support services in the year 2001-2002. If the minister could also please provide us with the breakdown of the full-time equivalents by the three subprograms: the minister's office, the deputy minister's office, and support services. Again, because of the split in the department, I would also like to know from the minister: is the number of full-time equivalents increasing? Is the overall budget decreasing? Are there several positions that have been left open in past years that are now being filled?

As well, I also noticed in here that there were capital projects. What I'd like to know is: what capital projects were funded by the \$6 million in capital investment in the year 2000-2001, and what will be funded in the fiscal year 2001-2002 with the \$5.9 million being requested in the estimate?

Also, if the minister could provide us a breakdown of the \$385,000 minister's office budget for 2001-2002, again, first of all, by the salaries for permanent positions, the salaries for nonpermanent positions, the salaries for contract positions, for travel expenses, advertising, telephone and communications, and also hosting expenses.

9:40

Now, then, for the deputy minister's office, if the minister could also provide us with a breakdown of the \$385,000 that were budgeted for 2001-2002, again by the same categories: salaries for permanent positions, nonpermanent positions, contract positions, travel expenses, advertising, telephone and communications, and hosting expenses.

Another question I have for the minister: why are the operating expenses for ministry support services, line 1.0.3, dropping by \$3.629 million? What is being reduced to incur this type of savings? I think, as well, that when we look at the overall budget of the government this year, certainly it is good to see that we are saving money in some parts of departments.

Also, if the minister could please provide me with a breakdown of the \$13.19 million operating estimate for support services in the current fiscal year, 2001-2002, by the following: business planning and corporate support, communications, financial services, human resource services, information technology, and legal services.

Again, last year, Mr. Chairman, there was the Ministry of Infrastructure. This year there's the Ministry of Infrastructure and the Ministry of Transportation. Both of these ministries show budgets for ministry support services for 2000-2001, but these numbers do not seem to match the approved estimates for the Ministry of Infrastructure for 2000-2001. The capital investment appears to reconcile – a portion of the approved amounts have been allocated to each of the new ministries – but the budgets for the minister's office and the deputy minister's office do not seem to split out. It is very difficult for Albertans to see how much the supersize cabinet is costing.

Accurate reporting on this account is very important. Back under the old ministry of transportation and utilities the minister's office had a budget of \$220,000, and public works had a ministerial budget of \$270,000. Under the superministry of Infrastructure the amount was \$388,000. Now that we have two new and improved ministries,

Infrastructure and Transportation, the combined costs for ministerial offices is now up to \$775,000. That's \$390,000 for Infrastructure and \$385,000 for Transportation. Would it be possible for the minister to check with the accountants and provide an explanation as to how they arrived at the 2000-2001 budgets and actual numbers for these ministries?

I would like now to move on to program 2, construction, upgrading, and operation of transportation infrastructure. Again, under this particular program I notice that we have an operating estimate for this current fiscal year of \$1,046,188,000. Our capital estimate for, again, this current fiscal year is \$476,573,000. My question to the minister in regards to program 2: how many full-time equivalents are employed under program 2, construction, upgrading, and operation of transportation infrastructure? If he could also provide us with the breakdown of full-time equivalents by subprograms in program 2.

The next area I'd like to move on to is line 2.1, transportation safety services, again a very critical part of transportation in this province. There are certainly situations in this province that we have to improve on in order for motorists to know that they are on safe highways, so we have, Mr. Chairman, the Transportation Safety Board, which is comprised of the Driver Control Board, the Motor Transport Board. This is a quasi-judicial body responsible for conducting hearings in the interest of public safety on firms or individuals referred by the courts, police, the registrar, transport inspectors, driver records, and the minister. The boards' hearing process deals with specific issues under the Motor Vehicle Administration Act, the Highway Traffic Act, the Motor Transport Act, and the Off-Highway Vehicle Act.

So my questions to the minister here under transportation safety services. What services are funded under transportation safety services? I would also like to know how many cases were heard before the Transportation Safety Board in the year 2000-2001. Also, is the caseload for the Transportation Safety Board expected to increase or decrease for the year 2001-2002?

Now, then, I noticed as well, reading through here, that one of the major strategies in the ministry business plan is to "develop and implement new initiatives to encourage the safe conduct of commercial carriers and drivers," and I think this is critical. These are the professionals that are on our roads, and they make a living when their machines are moving. They don't make much money when they're sitting still. So the amount of time they spend on the highways is critical, and the amount of time they spend behind the wheel is critical, particularly when we have seen the increase in gasoline and diesel prices. We hear on the news today that gasoline could be as much as a dollar a litre this summer, and if indeed gasoline rises to those heights, then it's certainly very, very possible that our diesel rates will go up. So the margin of profit for these drivers becomes less and less, and of course to make that up, then they have to work more and more.

My questions on transportation safety services to the minister. When we look at the safe conduct of commercial carriers and drivers, will this include the required use of electric on-board monitors to replace logbooks? What other plans is the minister considering in looking at this whole issue of how drivers log their time? I'm sure all of us have heard how many drivers keep two sets of books. I've never encountered any, but it is a story that is very common.

AN HON. MEMBER: You hear that in the coffee shops.

MR. BONNER: Yes, you definitely hear that in the coffee shops.

Mr. Chairman, government officials in Canada are proposing to allow truckers in Canada to drive up to 84 hours a week over

extended weeks. This compares to the 60 hours a week allowed in the United States. The new rule agreed to by federal and provincial governments is the same as that proposed by the Canadian Trucking Alliance in April of 1998 and clarified by the CTA in a public statement this past summer. The following are the essential features proposed by the trucking industry and agreed to by federal and provincial government officials in Halifax.

[Mr. Tannas in the chair]

Now, one of the recommendations here is to increase the maximum driving shift from 13 to 14 hours. These are the longest in the regulated world. I would like to know what consultation took place in order to allow this increase of time on the highways. Again, that seems to be a contradiction when goal 2 is to "improve standards for the commercial carrier industry" and, along with federal, provincial, and territorial governments, "review and streamline hours of service legislation for commercial carriers and ensure the rules are consistently applied in Alberta." Now, how can we increase safety if we are allowing drivers to be on the road more and more?

9:50

As well, I see here that another recommendation is that there is to be a decrease in the maximum working shift from 15 to 14 hours. Of course that is good, but that means that somebody could drive for 14 hours straight. Then it would increase the daily rest period from 8 to 10 hours, but only 8 hours need to be consecutive. Again, this puts a tremendous strain on those drivers, and for anybody that is driving week in and week out for 14 hours per day, this certainly wears.

I think of a situation in northern Alberta where the air base at Cold Lake used to have their fuel hauled in by train. They lost a contract, so now the majority of that or all of that fuel is being trucked into the air base at Cold Lake. We have tractor trailers up and down that stretch of highway hauling this fuel. Now, if you've had a driver that's been on the road for 14 hours for any length of time and they are quite weary and fall asleep at the wheel, what we have is we have a rocket going down the highway. The biggest problem I have with this is that when we look at what's happening in the States, their amount of time is much less. It would seem to me that rather than us increasing the amount of time that drivers are allowed to be on the road, what we should be aiming at, particularly with a focus on this north/south corridor, is that rather than have these drivers going up and down the road, we try to harmonize that legislation with our neighbours to the south.

Thank you very much for this opportunity, Mr. Chairman.

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

MR. MacDONALD: Thank you, Mr. Chairman. I would like to continue where my colleague from Edmonton-Glengarry left off, and that's dealing with highway systems. That's item 2.2.

The operating estimate is \$758 million. That rolls off the tongue. It's a lot of money. The actual operating budget is \$663 million, and the operating budget, again, is pegged to be \$665 million. Now, my question for the minister concerns the economic climate. How is Alberta's economic climate affecting labour and construction costs for the north/south trade corridor?

I watch with amazement the budgets. You know, it's almost an echo to the boom. I sometimes think that it wouldn't be prudent, but of course the infrastructure system has been left without major reinvestment for a period of time. As a result, in order to catch up, there has to be so much money spent. I realize that the traffic

volumes are increasing. And certainly things like the north/south corridor, the improvements in traffic flow, and arterial roads in Edmonton and in Calgary are significant improvements that will benefit all Albertans, but at some point I think we have to start looking at setting money aside in a special fund and use it in the future for roads.

When the economy slows down, there is more labour available. Construction costs will go down because materials and labour will be cheaper. Again, I would like to know: how is Alberta's economic climate affecting labour and construction costs for the north/south trade corridor? Other costs are going up because of the shortage of labour and in some situations a shortage of materials. Machines is another issue.

What sections of the corridor are being paved in 2001-2002, and when will the controversial section near Milk River be twinned? The Milk River highway has always been controversial in this Assembly, at least in the time that I have had the privilege of being a member. Has the department collected any accident statistics specific to the north/south trade corridor to show if the twinning project is improving safety on our highways? Again, why is the budget for operating expenses for provincial highways decreasing – this is program 2.2.2 – from \$356 million in 2000-2001 to roughly \$311 million in 2001-2002?

Another question for the minister is: what is included in capital investment for other road infrastructure, program 2.2.3, and why is this budget decreasing from \$7.9 million to \$5.4 million?

Now, at one time the idea of toll roads was floated in the Legislature, and the government rejected the idea not on principle but rather on economics. What are the department's views on toll roads? Is the government still looking at this as a possibility for Alberta drivers? It's not something that I would endorse, but who knows what this government is contemplating.

Program 2.3, municipal partnerships. This is very interesting. We're looking at a substantial difference between the operating estimate and the operating budget from one year to the next. Why did the department, again to the minister, only spend \$335 million of the \$539 million budget for municipal partnerships in the year 2000-2001? Why has the budget for Alberta cities transportation partnerships been reduced from \$256 million in 2000-2001 down to \$125.6 million in 2001-2002?

Now, the budget for the streets improvement program was \$60 million in 2000-2001, yet only \$25 million of this money was spent. That is amazing. I don't know how the streets are in Edmonton-Glenarry, but certainly in sections of Edmonton-Gold Bar there are some rather large potholes. Ball joints, tie-rod ends: sometimes I think they're going to fall off. This is quite a difference, but this year the estimate is \$51 million, down again from \$60 million. Can the minister provide some background on these numbers, specifically why the full budget was not spent. Was it a matter of material, labour costs, contracts? I'm very curious about that when I consider my own neighbourhood and exactly the conditions of the streets.

Again to the minister regarding municipal partnerships, program 2.3, why is the capital investment for resource roads dropping from \$4 million to \$1 million? What projects were funded in 2000-2001, and what projects are on the list for 2001-2002? Will the minister please provide a list of all the projects that were funded under the street improvement project in 2000-2001? It would be very interesting to see this. What streets were actually done, and how many kilometres of streets were actually improved?

10:00

Now, again under municipal water and wastewater grants, line 2.3.5, what projects were funded under this program in 2000-2001?

The budget for this program was \$29 million, yet again we see there was \$19 million spent. I don't know if the \$10 million was left on the table or where it went. For 2001-2002 the budget is set at \$35 million. Municipalities have said how hard it is to get money for water and wastewater projects because everyone seems to need money for this program. The waiting lists are so long that necessary projects can often be put on hold for a year or two until funding is available. What projects does the minister anticipate funding in 2001-2002?

Now, water management infrastructure. I understand here the 2001-2002 operating estimate was over \$33 million. For 2000-2001 the actual budget was \$32 million, and the operating budget was identical. It was also \$32 million. What projects were funded for the \$20 million spent on capital investment in water management infrastructure in 2000-2001, and what projects again are on the list for 2001-2002? What is the minister's view on the Meridian dam project in southern Alberta?

Now, on line item 2.5, infrastructure Canada/Alberta program, what projects does the minister anticipate funding with the infrastructure Canada/Alberta program? Could the minister please provide some background about the application and approval process for grants under this program? I certainly know of situations in the constituency of Edmonton-Gold Bar where this money could be put to very good use, and I'm sure that also applies for Edmonton-Glenarry and Edmonton-Mill Woods as well.

In line 2.7, the financial transactions, the budget for consumption of inventories is increasing from \$9.5 million to 15 and a half million dollars. Could the minister please provide some explanation as to what is covered by this budget and the reason for the substantial increase in 2001-2002?

Mr. Chairman, I also have at this time some questions from the business plan, and these are questions about the business plan from the year 2001 to the year 2004. The first goal here is to improve transportation safety with Justice, the Solicitor General, Government Services, and Innovation and Science. There's going to be permission to "allow enforcement services electronic access to ministry transportation safety data." This is on page 337. Now, will the minister please provide some background information on the cross-ministry initiative to "allow enforcement services electronic access to ministry transportation safety data"?

On page 337 also there is discussion to "develop a process to license private sector mechanics to repair and inspect vehicles written off in Alberta or other provinces." I don't know if I'm at all in agreement with this, but my question to the minister at this time would be: what is the current process for inspection and repair of written-off vehicles, and how will this change with the new process to license private-sector mechanics to perform this service? Who will manage this process and set the standards?

Now, we have to be very, very careful about this, and I'm sure at some time the Minister of Government Services is certainly going to have an opinion on this. Every time we see a consumer advocate talk, there is always discussion about write-offs from other provinces winding up shiny and looking new on Alberta streets and highways, but in reality these are not safe vehicles, and the state of repair and the condition of them has led to not only frustrated consumers but unsafe conditions on the highways. Whenever I see this, it just amazes me where these vehicles come from, how many there will be. Will it be cars? Will it be trucks? Will it be tractor trailers for the transportation industry? I need a lot more information than this.

Now goal 2, enhance transportation infrastructure planning and management. On page 338: "evaluate long-term funding requirements for municipal infrastructure in conjunction with the [AUMA] and the [AAMD and C]." Will evaluating the long-term funding

requirements for municipal infrastructure take place in another Premier's task force on infrastructure, or will it take on some other form? Another question following from that one is: what is the time line for this evaluation?

Also on page 338 there's a discussion on exploring "opportunities for the deployment of Intelligent Transportation Systems technologies to improve the safety and efficiency of the provincial transportation network." What precisely is the intelligent transportation system? Where does the safety and efficiency of our highways need to be improved? Is this a government initiative, or is it a joint initiative with industry?

Goal 4, to improve access to global markets. "Partner with Canadian and United States governments and the State of Montana to operate a joint border crossing facility in Coutts." Will the minister provide some information on the joint border crossing facility at Coutts?

Now, on page 339 there is further discussion on evaluating "trends in rural transportation." Also on that page, to "promote the establishment of an efficient grain handling and transportation system that is based on commercial principles." How will the minister evaluate trends in rural transportation? Will the minister please table copies of any reports or studies the government has on the long-term effects of grain trucks and other agricultural vehicles on secondary paved and gravel roads? Another question for the hon. minister is: does the promotion of "the establishment of an efficient grain handling and transportation system that is based on commercial principles" mean that the minister is again looking at toll roads?

10:10

Now, the question that also comes to mind, Mr. Chairman – and it's again directed to the minister – is: at what point will I be able to drive to Calgary on a three-lane highway in both directions? As the province has grown, many of the hon. members that commute by automobile to Calgary who represent Calgary ridings are probably going to have to consider promoting this, and that's the idea of three lanes in each direction, north and south, between Calgary and Edmonton. I've looked at this. I'm sure there are studies being done by the minister's department, and I would be very anxious to have a glance at them. I would be now asking the hon. minister if he could table these, because I would like to see what sort of cost would be involved in this. I think the initial design of the road may have been included in the span on the overpasses. That would certainly benefit the economies of both cities, and it would certainly enhance safety. I'm very anxious to see the cost of this.

Now, I would also like to ask the minister if there's been a cost-benefit analysis done regarding the privatization of all the road maintenance that's gone on and what sort of quality control is being conducted as far as the quality of paving that's going on. I know there's a stretch of road out by Edson that had to be resurfaced. I for one as a regular commuter on that road to Jasper and to Hinton am not impressed at all with that surface. I've received a few gravel cracks in my windscreen because of that road, and I would like to know what sort of cost-benefit analysis is being done.

I'm disappointed that my time is up. Thank you.

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

DR. MASSEY: Thanks, Mr. Chairman. I'm pleased to have the opportunity to ask some questions and to make some comments about the Transportation estimates and business plan before us this evening.

I wanted to start off, if I might, with some comments about the business plan. I know that the split-off from Infrastructure must

have caused some difficulties for the department and some difficulties for the staff, but I wondered why the advice of the Auditor General in terms of the preparation of business plans has largely been ignored by the Transportation department. I go back to what the Auditor General said in the last report. He made a number of recommendations about government business plans, and his first recommendation was:

We recommend that the Department of Treasury, in conjunction with other ministries, clearly define the core measures and targets in the government business plan.

So my question is: has the department been working with Treasury on the business plans that are presented in this department's portion of the budget?

The second recommendation talks about ministry business plans too. He says:

We recommend that ministries, with assistance from the Department of Treasury, improve the link between goals and core businesses in ministry business plans."

He has a third recommendation.

We recommend that ministries, in conjunction with the Department of Treasury, ensure that all performance measures in ministry business plans include clearly defined targets.

He goes on to make some comments that there needs to be further improvements to the targets. I think the criticisms that the Auditor General makes certainly apply to the business plans here.

If you look at the business plans of the ministry, the goals are set out fairly clearly, the objectives I think are fairly clear, and certainly the key strategies provide a great deal of detail for us. But when you look at, for instance, goal 4, which is to "improve access to global markets," there are four objectives: to develop the north/south trade corridor, encourage consistent trucking standards between Canada and the United States, and so on. Then you go over and look at the key performance measures for goal 4, and you only find one. That is the percentage of "four-laning open to travel." Well, it hardly is a performance measure that can be used to evaluate the objectives that are listed under goal 4 and completely misses any of the key strategies.

I know there's a footnote under one of them – it's not under this one – that measures are being developed. Surely, given the history of business plans and business plan development with this government since 1993, we're further along the road with the development of performance measures for the business plans. The performance measures here are really, really very limited, and in terms of judging the success of the department in assuring us that the money is being well spent, these are going to provide us really very limited information the next time we find ourselves looking at the business plan and trying to evaluate whether or not the money that the department had was well spent.

You know, I don't think I make too much of the matter, Mr. Chairman. The government has invested a great deal and has asked for the public's confidence in terms of its budgeting process based on the three-year business plans. They're referred to often by commentators and critics when they look at the government and its operations, and they're always looked on in a favourable light. Certainly the Auditor General has wholeheartedly adopted and promoted a system of performance measures.

I go back to the advice the Auditor General gave, and I mentioned it when we looked at the Department of Infrastructure.

The business plan is a performance contract with the Legislature and the public. When it does not clearly describe the performance measures then various interpretations are possible. Since the business plan is the basis against which performance is measured it is important that the desired measurement and expected results be clearly defined.

That's not the case, I don't think, with the Department of Transportation.

There has been a great deal of work done and a great deal of work that should give us confidence that things are headed in the right direction and that there is a pretty good articulation of goals. But the next step, that advice we need, the measures that would say, "Yes, this much progress has been made," or "No, in this area we aren't making the progress that we want" are not there. I think it's unfortunate, as I said, that we're this far along with the government claiming that business plans are a useful instrument in terms of the budgeting process and an instrument that makes transparent the government's operation and that the plans don't reflect those statements.

10:20

Given the number of questions there are about the Transportation budget, it goes back to the Auditor General, and his comment is: "In our view, clearly defined measures and targets in the business plan should not require extensive additional disclosure." He's saying that if you lay out the objectives and the goals of the department clearly and you put in place the appropriate measures, then we shouldn't be spending a great deal of time in this Legislature going back and asking for additional information. That's certainly not the case to this point.

So I would ask the minister in the terms I asked before: what work has been done with Treasury in terms of performance measures, and what can we expect in the future? What kind of work is in progress in terms of those performance measures?

I have a couple of specific questions. I'm not sure, at least for one of these questions, that this is the appropriate place to ask it, but maybe the minister can advise me. The concern is with ineligible drivers being kept off the road. I notice that there's been some work done by the department with the Solicitor General's department. The concern that's been raised by at least one of my constituents has been that drivers will obtain a licence, will show the insurance certificates, and then have their insurance canceled and will be driving on the highways without insurance yet still with a valid licence plate. I wondered if that problem has been addressed. Is there a process in place where, when insurance is canceled, the authorities are automatically alerted to the fact that there is a driver who now has a valid licence plate and is not insured? Exactly what is being done?

Again, I'm not sure this is the ministry that would address that problem, but it seems to me it could fall under Transportation in terms of expecting that those drivers would be kept off the road. If it hasn't, I wonder if it can't be pursued. I think I had at least one constituent very concerned. He'd been hit by a driver who had a valid licence plate but who had gone out and canceled his insurance, and it put the constituent in a very difficult position.

I look at the key strategies under "improve road user behaviour" and the number of really good programs that are under way there. Are those done in co-operation with the Department of Learning? The kinds of cross-ministry projects that are under way have been mentioned in a couple of places, but it isn't mentioned here in terms of promoting traffic safety and traffic safety messages. Are those done in conjunction with schools and with the Ministry of Learning?

Here is the reference I wanted, under goal 1, objective 3:

With Justice, Solicitor General, Government Services, and Innovation and Science, allow enforcement services electronic access to ministry transportation safety data.

So there's that cross-ministry co-operation there, and I wondered if the same was possible in terms of the problem I raised with uninsured drivers being on the highways of the province.

Again, if you look at the key strategies, they really cry for some

performance measures. Under "provide for the safe operation of railways under provincial jurisdiction through the proclamation of the new Railway Act," the objective is to "enhance rail safety." How are we going to know at the end of the day that rail safety has been enhanced? What are the kinds of measures that are going to be in place that will tell us there has been progress made on this? Will it be the number of rail accidents? Just exactly what will be the key measures? You can go through the strategies and pose that same question.

I wondered about providing the cities of Calgary and Edmonton with annual funding based on the 5 cents per litre of fuel delivered for road use and the provisions for other cities, if that is being found to be an adequate base for those municipalities and their use. Is it going to provide the kind of support they need to adequately provide transportation facilities in those cities?

I had a question about the north/south trade corridor. There's been a lot of confidence placed in the development of that corridor in terms of it increasing trade, and I wonder if there is information available, the information base those projections are based upon. You know, it seems to be accepted that if you twin the roads north and south, that will improve transportation and encourage trade, but is there any hard data to say that that is actually the case? Or will it just make driving and access for current users more convenient? I wondered if there was information that could be shared with us in terms of, yes, that in fact is going to increase trade. Is there some percentage figure that can be given to us to justify the expense that that project is costing taxpayers?

There's a question I had about the organization of the department itself. It seemed to me that in the past there was a great cutting of Transportation staff by one of the previous ministers. Now there are a number of strategies to build up that staff and to recruit additional staff. I wonder if we could have some information on that. Is this new initiative needed because of the cost cutting that went on before and the kind of staff that was lost? The strategies here seem to be identical, or at least some of them are, to those that we found in the Department of Infrastructure. Again, my question is: are we paying now a price for the kind of departmental cutting that went on before? It's under goal 5, objective 1 and objective 2, and it's the human resource plan that I would like some more information on from the minister.

I think, Mr. Chairman, that those are most of my comments. There have been a lot of questions raised this evening about the Transportation budget, and I look forward to the response from the minister.

Thank you very much.

THE CHAIRMAN: Any further questions?

I'll call upon the minister for his concluding remarks.

10:30

MR. STELMACH: Thank you, Mr. Chairman. First of all, I can't reply in five minutes to all of the questions that were raised but can assure the hon. members across the floor that we will respond to them as quickly as possible.

I do want to just make one comment. To provide a list, a description of every street in Alberta that was paved or rehabbed under the street improvement program will probably take half a year. Can you imagine hundreds of millions of dollars poured into street improvement, and you're going to say: west off X to . . . I mean, let's get a little serious here. We can put it all together, but be careful what you're asking for, because it takes reams and reams of people and information to put this all together to say just what street was paved in every community in Alberta. There's a lot of money

that was spent here, so I don't think we can give you the actual description of every street in just a couple days, because that's a heck of a lot of work.

With respect to, very quickly, new rules for driving, there is no agreement in place. The federal government had promised open consultation right across the country. They didn't have one consultation at all. Alberta was the only province that conducted consultations on hours of driving. We're not proceeding until we get the federal government to the table, and they seem to be reluctant to do that at this particular time. Contrary to what was said we're actually decreasing hours, not increasing.

The north/south trade corridor. The number of dollars spent on infrastructure in 10 years: we got about \$30 million back for the roughly \$600 million a year we send to Ottawa in fuel tax. We got some of it back. We can certainly accelerate even more the road program in the province. The accident rate on the north/south trade corridor: as we improve the road, definitely there is a change in the accidents, and we'll try and get a measurement on that.

Where it shows a decrease in budget, I'd like to remind the hon. members that it's actually as a result of accelerated funding in the previous year. As a result, the municipalities got an increase last year, and that's reflected in this year's estimates.

I want to reiterate that there is no policy being developed by the government for toll roads, regardless of the position taken by the hon. Member for Edmonton-Gold Bar that we must support them, I guess.

In municipal partnerships we've advanced funding. Edmonton saw almost a doubling in grants. They're now receiving 5 cents a litre of every litre of fuel sold in Edmonton. It goes directly to road infrastructure. That's a huge increase in grants. I believe it's about \$65 million for Edmonton.

ICAP, which is the infrastructure Canada/Alberta program: we're working with municipalities. We have the money in place now, but remember that the federal portion may not arrive here for at least six years.

The other thing is: I would like an example of some of the cars that have apparently been sold in Alberta that have been put together, pieced together here that come from other provinces. Can you give me an example of that and send that to me in writing so that we can respond? That's rather important, and I take that accusation quite seriously.

With respect to grain transportation, yes, there are a number of grain trucks on the highways. We've got to move a lot of the grain. Much of it is not leaving the province; it's going to value-added locations in the province. Again, there was some tie there to toll roads, and we're definitely not forming any kind of policy with respect to toll roads in the province.

Privatization of maintenance has saved us millions of dollars. We'll bring that forward to the Legislature.

I'd just like to say in closing that we are working very closely with

the Auditor General in developing performance measures that are easy to measure but also easy to communicate to fellow Albertans. We'll do whatever we can to reach some agreement on them, because a lot of it is rather subjective in terms of you may think this road is rather smooth but I may think it's a little rough. We'll do whatever we can to co-operate with the Auditor General.

The rest we'll bring together and send it in writing in a response.

THE CHAIRMAN: That concludes this part of the evening.

After considering the business plan and proposed estimates for the Department of Transportation, are you ready for the vote?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

Agreed to:

Operating Expense and Capital Investment	\$1,542,628,000
--	-----------------

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

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

MR. STEVENS: Mr. Chairman, I move that the committee rise and report the votes and request leave to sit again.

[Motion carried]

[The Deputy Speaker in the chair]

MR. KLAPSTEIN: Mr. Speaker, the Committee of Supply has 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, 2002, for the following departments:

Infrastructure: operating expense and capital investment, \$2,832,240,000.

Transportation: operating expense and capital investment, \$1,542,628,000

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

HON. MEMBERS: Agreed.

THE DEPUTY SPEAKER: Opposed? So ordered.

[At 10:38 p.m. the Assembly adjourned to Wednesday at 1:30 p.m.]

