

Legislative Assembly of Alberta

Title: **Monday, May 7, 2001**

8:00 p.m.

Date: 01/05/07

head: Committee of Supply

[Mr. Shariff in the chair]

THE DEPUTY CHAIRMAN: We'll call the committee to order.

head: Main Estimates 2001-2002

Gaming

THE DEPUTY CHAIRMAN: The hon. minister.

MR. STEVENS: Thank you. Good evening, Mr. Chairman and hon. members. I'm pleased to begin my opening remarks this evening by introducing three officials who are part of Alberta Gaming and who are seated in the members' gallery. These gentlemen are part of the dedicated and talented team of individuals who work very diligently on behalf of Albertans: first of all, Norm Peterson, deputy minister; Gerry Brygidyr, director of business management and policy gaming; and Ron Crosby, executive director of finance for the Alberta Gaming and Liquor Commission. I'd also like to introduce my EA, Jeremy Chorney.

The Ministry of Gaming includes the Department of Gaming; the Alberta Gaming and Liquor Commission, otherwise known as AGLC; and the Alberta Gaming Research Council. The ministry is also responsible for the Racing Corporation Act. The Department of Gaming includes business management and policy, communications, lottery funding programs including the community lottery board grant program and the community facility enhancement program. The Alberta Gaming and Liquor Commission licenses, regulates, and monitors gaming and liquor activities in Alberta. The Alberta Gaming Research Council is a broad-based advisory group that directs the research activities of the Alberta Gaming Research Institute.

There have been many highlights and achievements for the ministry over the past year. Possibly the most significant has been the development of the First Nations gaming policy. This policy is in keeping with Alberta's unique charitable gaming model and is the result of discussion and dialogue between the government and Alberta First Nations. It's also an important part of the gaming licensing policy review. The AGLC is reviewing gaming licensing policies and processes to better address future changes and possible growth in Alberta's gaming industry. This process has involved the participation of stakeholders, including the gaming industry, municipalities, First Nations, and charitable organizations. Completion of the licensing policy review is expected later this summer, with the existing freeze on gaming expansion remaining in place until that time.

At Alberta Gaming our vision is "to balance choice and responsibility in [Alberta's] gaming and liquor industries," use revenues from these activities to benefit Albertans, and provide "opportunity for competition and enhanced services in [the] liquor and gaming industries." Our mission statement is

to ensure integrity, transparency, disclosure, public consultation and accountability in Alberta's gaming and liquor industries to achieve the maximum benefit for Albertans.

The Ministry of Gaming has identified three core businesses in its 2001-2004 business plan:

1. Develop provincial gaming and liquor legislation and policy, and regulate the gaming and liquor industries in accordance with legislation and policy;

2. Manage the Alberta Lottery Fund and administer designated lottery-funded programs to support Alberta communities; and
3. Support leading-edge research on gaming and liquor issues in Alberta.

We've crafted the following key goals, strategies, and measures to assist us in fulfilling our commitment to Albertans. Goal 1: Alberta Gaming is committed to ensuring that gaming and liquor policies in this province strike "a balance between social responsibility and economic benefit to Albertans." Key strategies to achieve this are monitoring emerging issues and trends, looking to policies and regulations of other jurisdictions, and ensuring Albertans and stakeholders are not only aware of but supportive of our gaming and liquor policies.

Goal 2: Alberta Gaming is also committed to continuing to use 100 percent of lottery revenues to support charitable, not-for-profit, and community-based initiatives through the Alberta lottery fund and various grant programs and foundations it supports. Over 8,000 initiatives are funded each year.

Goal 3: the ministry is committed to being a key "partner in leading-edge gaming and liquor research." Through the Gaming Research Council and the institute we will continue to support research into and inform Albertans of the social and economic aspects of gaming. We will also continue our partnership with AADAC and the gaming and liquor industries to develop programs for the prevention and treatment of alcohol abuse and problem gambling.

AADAC, including its problem gambling programs, is funded through the Alberta lottery fund. AADAC funding for the 2001-2002 year is \$45.6 million, which is an increase of \$12.3 million from the previous year. AADAC will receive \$3.7 million in funding in relation to problem gambling programs specifically for this fiscal year.

AGLC consists of a board and a corporation. The corporation acts as the operational arm of the organization and is responsible for the administration and day-to-day operations of AGLC. The board is responsible for policy and regulatory matters. AGLC licenses, regulates, and monitors all gaming and liquor activities in the province and its mission is "to ensure that gaming and liquor activities in Alberta are conducted with integrity and social responsibility and to maximize long term benefits for Albertans."

The AGLC has identified three core businesses in its 2001-2004 business plan:

1. License and regulate liquor activities.
2. License and regulate charitable gaming activities.
3. Conduct and manage provincial gaming activities – video lottery terminals, slot machines and lottery ticket sales.

Again, we have established key goals, strategies, and measures that will help us to fulfill these commitments to Albertans. Among these are: firstly, the AGLC is committed to "develop liquor policy and conduct licensing activities in accordance with the Gaming and Liquor Act and Regulation." The AGLC has set performance measures to help evaluate licensing compliance to policies and regulations as well as licensing satisfaction with the level of service the AGLC provides.

Goal 2. The AGLC is committed to

develop gaming policy and conduct licensing activities under the authority of the Criminal Code of Canada and in accordance with the Gaming and Liquor Act and Regulation.

It's also committed to ensuring that "all gaming activities, use of proceeds and financial reporting are conducted according to legislation and policy." Key strategies to help fulfill these goals include developing and implementing "policy on eligibility criteria and use of proceeds by charitable organizations" as well as implementing "the policy direction arising from the [ongoing] licensing policy review."

Goal 3. The third goal reinforces AGLC's continuing commitment to ensuring the "integrity, security and operational efficiencies" of our video lottery, casino and ticket lottery network. Key strategies in support of this include reviewing "security requirements," establishing "performance standards" for the gaming network, and implementing a "replacement strategy" for aging terminals and the central network monitoring system. The AGLC will also be measuring retailer satisfaction with AGLC services and ensuring that the "Alberta Lottery Fund revenues are collected in a timely and efficient manner . . . in accordance with legislation and Treasury Board directives."

Total revenue from gaming and liquor activities in 2001-2002 is forecast to be approximately \$1.5 billion, an increase of approximately \$70.5 million from last year. Liquor revenues are estimated at \$478 million and gaming revenue is estimated at approximately \$1 billion. All gaming revenue is deposited in the Alberta lottery fund. That revenue goes back to Albertans and our communities. It supports over 8,000 projects and initiatives every year.

Details of the 2001-2002 gaming revenue forecast, which represent an increase of \$62.6 million includes: VLTs, \$547 million; slots, \$308 million; tickets, \$154 million; interest, \$6 million, for a total of \$1 billion. As substantial as these gaming dollar amounts may seem, it's important to keep them in context. Five years ago, in 1995-96, gaming revenue was about 4 percent of total provincial revenue. Today gaming revenue remains approximately 4 percent of total provincial revenue of \$22.7 billion.

Our business plans contain a number of key strategies that reflect our commitment to developing policy that strikes "a balance between choice and responsibility in [Alberta's] gaming and liquor activities." The business plans also reflect our commitment to maintaining the highest quality of integrity, transparency, and openness in gaming and liquor activities.

8:10

THE DEPUTY CHAIRMAN: I regret to interrupt the minister, but the time has run out.

The hon. Member for Edmonton-Centre.

MS BLAKEMAN: Thanks very much, Mr. Chairman. I'm pleased to be able to be the first to react to the budget for the Department of Gaming that is put before us this evening. I'd like to welcome members of the minister's staff for joining us this evening – I can't see them, but I know they're there – and any other fun seekers that have joined us in the gallery to watch over our proceedings tonight.

For this province of Alberta gaming is big business. Although as the minister points out, it accounts for 4 percent of the revenue that the province brings in, that is still one of the most consistent and one of the largest consistent sectors contributing to the budget. I have often said that this government is addicted to gaming. They certainly need those funds now. They'd have a hard time replacing that 4 percent. In doing so, they've also made the rest of Albertans codependents in this gambling. It's interesting to hear the minister talk about trying to achieve that balance between what is essentially growth in the gaming sector and some sort of justifiable output on the other side.

One of the first things I noticed is that the mission statement has changed slightly between the previous three-year mission statement and the one that the minister read out this evening. In previous years the mission statement was: "To maintain the integrity of gaming and liquor activities . . . and collect revenues." Now the mission is:

To ensure integrity, transparency, disclosure, public consultation and accountability in Alberta's gaming and liquor industries to achieve the maximum benefit for Albertans.

I'd be interested in having the minister explain the discussion that led to the change in that mission statement.

Now key initiatives. On page 164 we're talking about considering the recommendations from the gaming licensing policy review to ensure that the appropriate policies and procedures are in place to deal effectively with Alberta's growing and maturing gaming industry.

Yet as part of that I notice that the mission statement, referring back to it, does include "public consultation," but I have seen nothing thus far that was really seeking or making any great effort to include the public in a discussion, in an ongoing consultation about what the gaming industry is going to look like in Alberta for years to come. There certainly was the bingo review, that was chaired, I think, by Judge Lieberman, and the public was able to submit recommendations or discussions to that review, but thus far I am unaware of any initiatives to include the public or, indeed, aside from telling them that the gaming review is going on, to make any kind of effort to have the public join in that discussion.

I'd like to know why the department has decided to proceed this way or why the minister has decided to proceed this way, because I think there needs to be a much wider discussion around gaming in this province. How much of it do we want? What kinds of it do we want? The issue around how widely available access to gaming is. Accountability, which this department has struggled with from time to time and I will discuss a bit later. The whole area around horse racing and what the public wants to happen there. I can see that there are some keen aficionados with us this evening, but it would be nice if others aside from those in the Assembly would be able to participate in that discussion.

The public has not been able to participate in a discussion around VLTs versus slots, and I don't think the public is aware, quite frankly, of how many slot machines are now operating in the province and the fact that the number of machines continues to rise. They may not even be aware that we have slot machines as well as video lottery terminals, commonly known as VLTs. A discussion also around the percentage of gaming proceeds that's going to the charities, and that happens on a number of different levels. The percentage from the casinos that goes to the charities, the percentage from the bingos that goes to the charities, the percentage that comes from the VLTs and the slot machines that are in the casinos and that are in the bars and others that are licensed to hold them.

I think there also needs to be a discussion about the use of lottery funds for government programs, which was something this government started doing. This is the third year they've now done that, where they're paying for entire government programs out of a variety of departments, and 100 percent of the program is paid for out of lottery funds. I think this is a perversion of the original intent, but let's have the discussion. I think there's also been a move away from the charity model, that we need the public to participate in.

So there's quite a bit there, and from the little that I've been able to talk to the public about this, they're interested in having that discussion, not just a reaction to a VLT vote in their municipality or a quick reaction to what's happening in the bingo area. They want to talk about all of this, and the government thus far hasn't given them the opportunity. So I encourage the government to certainly take the opportunity that's available to them now, and I would ask the minister exactly what plans have been made to include the public. When are the consultations available to them? What kind of information has gone out encouraging people to appear before a public hearing or to submit?

The minister had walked through all the goals that are set up in the department, and I would like to follow that as well. When we look at the first goal about achieving "a balance between social responsibility and economic benefit," I'm looking at the key strategies, and I have some questions around that. One of them is: "Ensure

Albertans are aware of gaming and liquor policy and are consulted with respect to major policy initiatives." Well, as I've just outlined, they're not being consulted around the gaming review that's happening. So, again, how is the government encouraging or ensuring that Albertans are aware of this and that they're being consulted?

The minister also mentioned, and it is indeed listed as a key strategy: "Ensure First Nations gaming policy is consistent with the government's Aboriginal Policy Framework." What exactly is that policy? I haven't seen it detailed, and I would ask that the minister please supply me with the background and additional deliberations that led up to whatever policy the government has now formed. I understand that the minister is responding in writing to these questions given this evening, so I would ask him to include that background documentation as well.

Now, I've done quite a bit of work on performance measurements, and I'm not very happy with the performance measurements that are being shown in this department. There's a tendency on behalf of this government to have a performance measurement about: are Albertans satisfied with, and then you can fill in the blank for just about any department. I don't find that that is a useful performance measurement. It's very interesting that we can get out there and have surveys, but, you know, frankly I could say that I was satisfied with this government's performance if I was faced with the choice of having to look at some other government that I found even more difficult to deal with. So the whole idea of surveying the public for their satisfaction with a given program or policy or key initiative I don't think is a very good way for the department, in fact, to know how they are doing and, more to the point, to be able to use it as a useful management tool.

8:20

So we have performance measurements here, the "percentage of Albertans surveyed who are satisfied with the conduct of the liquor business in Alberta." Well, what do you mean satisfied? What were the questions that they were asked? In all these cases where there's a survey of satisfaction of Albertans regarding this department, I would like to see the questions that were asked in the survey to get that result. As a second performance measurement, "Percentage of Albertans surveyed who are satisfied with the conduct of legal gaming entertainment in Alberta." Why aren't we looking at something more useful? Not satisfaction but let's say reduction of alcoholism, as relates to the activity of the department, or fetal alcohol syndrome that's reduced. Now, that's a target that could be worked towards, but satisfaction of Albertans with the conduct of liquor business? I mean, how is this giving us anything useful to go with other than the department can walk around and say that people are satisfied with them? It's not a useful management tool, and I think I could venture saying that the Auditor General would probably back me up on this one. He's encouraging departments to move towards more useful tools to use in management and engaging actual key performance indicators.

Now, I look at the goal "lottery funds support charitable, non-profit, public and community-based initiatives," and there's a key strategy of "implement and manage changes to the process for distributing revenues, and ensuring accountability for those revenues distributed to the horse racing industry" and then "based upon the terms of the Racing Industry Renewal Initiative." What exactly does that mean? Can we get all the background to that, please, so that we may be able to judge that as well? I'd like to know exactly what's happening there.

The next key strategy: "Develop a process to measure customer satisfaction." Yet again, when you've got a whole bunch of

Albertans that have been surveyed through some kind of question about how satisfied they are, that really doesn't tell us whether the department is providing a useful service, whether it's providing an efficient service, whether Albertans are getting value for their dollar, whether the department is a good thing or a bad thing. It just tells us whether Albertans are satisfied. Frankly, it's an easy out. It's a cop-out. So in this what are they supposed to be satisfied about?

I look at the performance measurement under this goal: "Percentage of . . . Lottery Fund disbursements committed to supporting charitable, non-profit, public and community-based initiatives." Well, no disrespect intended, but gee-whiz, guys, tough performance measurement. Of course it's a hundred percent across the board. Supposedly it always has been. What are you doing using a performance measurement for something that's that simple? I mean, it's part of the ongoing mandate of this department, and you now make it a performance measurement. Forgive me, but boy, tough target, huh.

Let's look at the next one, "Percentage of administration costs of lottery-funded programs administered by the Department of Gaming." Well, you've got it at "less than 2% of program disbursements." Yeah, that was the budget that was given to do it, so how is this a useful management tool? You say: this is how much money you get to administer these programs, 2 percent of the program. Then you stand back and go: "Wow, are we ever good. Lookit; we've met our key performance indicator." Yeah. So these are not useful. [some applause] Oh, we have many supporters of the Simple Simon school of performance indicators.

Okay; let's look at the performance measurement for the goal about partnering "in leading-edge gaming and liquor research." "Percentage of partners who are satisfied with level of support and cooperation for research, prevention and treatment programs." We've got "establish baseline" for 2001-2002, "increasing over time" for 2002-2003, and a 90 percent target for 2003-2004. Well, what are you actually measuring here? What are you trying to find out? Are you trying to say, "Our research is exemplary"? Then why aren't you looking to see if you're winning awards somewhere or if you're being printed in prestigious magazines? Is your research leading to new initiatives? Can you test yourself against that? But once again we have "percentage of partners who are satisfied with level of support."

Now we move into looking at the revenue from gaming here, and I'm looking at the estimates on page 169. I have a couple of questions here. Under the casino gaming terminal revenue – and I'm assuming those are slots – the comparable '99-2000 actual is \$174.4 million. The budget estimate for 2001-2002 is \$308.9 million, and then it continues to rise: in 2002-03, \$377.7 million, and in 2003-2004, \$416.7 million. On what basis is the government projecting that consistent increase? Are there more slot machines going in, and that is what the government is basing this fairly significant rise on? If we look between '99-2000 at \$174.4 million to 2003-2004 at \$416.7 million, that's more than double in that period of time. What initiatives is the ministry putting in place that would be giving them the thought that that is the correct way to budget that forward?

Now, I look at the ticket lottery revenue, which in '99-2000 was \$157 million and in 2001-2002 it's at \$154 million, but in fact if you look backwards at the comparable preliminary actual for 2000-2001, the ticket revenue had dropped by about \$5 million from the previous year. So what is the ministry doing that it makes it think it's going to get those ticket lottery revenues back up again, essentially by another \$2 million? You're at \$157 million in '99-2000, you dropped to \$152.3 million, and your budgeting for this year is going back up again to \$154 million. Based on what? The ticket lottery revenue has been fairly stagnant, if not dropping

steadily, in the past years. What's making you be so optimistic about that?

The liquor and related income, again there's a \$10 million increase in each of the three years being covered by this business plan: 2001-2002 is \$478 million, then we're looking at 2002-2003, \$487 million, and 2003-2004, \$497 million. What is making this ministry believe that it's going to increase the liquor and related revenue by \$10 million every year?

Now, I'm also interested that under expense we've got gaming research that is fairly stagnant. It's \$1.5 million in '99-2000. The preliminary for 2000-2001 is \$1.6 million, and it just stays on \$1.6 million. It flat lines at \$1.6 million across the rest of the board. So I'm wondering why research is not tied as a percentage of revenue. If you're expecting that revenue in all areas is going to proceed upward and at fairly consistent levels, why are you not tying the research to the problem gambling and problem gaming along with the rise in that revenue? Why are you assuming the revenues will go up but there's not greater need for the research to go up tied to that, or is this a deliberate attempt to just keep it down at that level?

I'm also interested in how many casino gaming terminals, which I would call slot machines, there are. How many were there last year, 2000-2001, and how many are you forecasting to have in operation in 2001-02, 2002-03, and 2003-04? I would also like the same figures with the video lottery terminals, please.

Now, when we look at the business plan on page 170 – and we're talking about the responsibility of the Alberta Gaming and Liquor Commission – I'm wondering why the minister is not a vocal advocate for conflict of interest legislation that's covering all board members. This area in particular causes great, I think, alarm with constituents, and certainly I've heard from enough of them over the weekend, given the outcome of the Jaber trial at the end of last week. There's a real concern in gaming. There's the potential for a lot of money there, and there's the potential for a lot of trouble as a result of there being a lot of money there. We do not have conflict of interest legislation that covers board members. Certainly we know from the trial that one of Mr. Jaber's defenses was: well, he wasn't a government employee in being a part-time member of the then Liquor Control Board. Interesting there that someone that in fact was a political appointment didn't seem to see himself as that or didn't seem to see himself as connected to government.

8:30

I'm wondering why the minister is not a much more vigorous and vocal advocate for conflict of interest. I note that the conflict of interest legislation is up for review in two years. I don't think that given what's happening here, the government can afford to wait two years. Or maybe they don't mind the scandal. I don't know.

When I look at the AGLC vision – I'm aware my time's running out, but I will try to get in some more time later – I'm noticing that it includes: "provides opportunity for competition and enhanced services in its liquor and gaming industries." What competition in gaming is expected here? Is this competition between casino owners or bingo halls? What kind of competition is being encouraged with this?

I haven't heard my time go off yet. I'm going to keep going. [interjection] I take it, then, my 20 minutes for this go-around is up? Okay.

Thank you, and I'll cede the floor to one of my colleagues.

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

MR. BONNER: Thank you very much, Mr. Chairman. It is a pleasure this evening to rise to speak to the budget estimates for the

Ministry of Gaming. I want to thank the minister and all of his staff for being here this evening. Certainly I have a number of questions that I hope they will answer in written form. I doubt that they'll have time.

In listening to some of the earlier comments made by the minister, one of his first comments was talking about a balanced choice. When I was looking in the Auditor General's report here as well, certainly he outlined the many challenges in a statement when he said:

From a policy perspective, the Ministry has the difficult task of balancing the interests of the government, the public, charitable organizations, and private businesses in decisions about future growth of the gaming and liquor industries. From a regulatory perspective, the Ministry faces the challenges of monitoring compliance with liquor, gaming and tobacco laws and agreements.

Certainly a huge, huge responsibility when we look at this, Mr. Chairman.

Then I go on to look at the mission statement for the ministry, and we see that it is to encourage

integrity, transparency, disclosure, public consultation and accountability in Alberta's gaming and liquor industries to achieve the maximum benefit for Albertans.

This, of course, comes out of the business plan on page 165.

Now, then, in looking at all this and the concerns that we have, certainly those are major concerns. We do have an industry here that is huge, and it is growing. As well, we have taking place a review of the licensing policy for gambling here in the province, and this is going to be finished some time this summer. Hopefully that will be released soon after, and we won't have to wait and wait like we have for so many other reports.

In looking at this report that's going to be released and also studying the budget, I think that we are in for another period of rapid growth in the gambling and horse racing businesses, the gaming business. I think that certainly spells good news for some people that are in the business of gaming, but it certainly doesn't bode well for the average Albertan that probably is leaving too many of their dollars in there. Even though it is a choice activity, for some people it isn't a choice.

When we are looking at AADAC, for example, we are allowing the problem to escalate in this province. Certainly the resources that AADAC has are not adequate to meet that.

I see that in the gaming industry here in this province we have some other challenges that the department must look at as well. Of course, this year there is the very distinct possibility that casinos will be built on some of the First Nations' reserves. We also have the challenge of existing casinos expanding. We look at the possibility of electronic gambling in bingo halls. As well, in this whole issue we have in this province the possibility that we're going to create new forms of gaming rooms or minicasinos in hotels.

So with all of these indicators that this industry is growing and growing rapidly, I would like to know from the ministry: where is the broad public consultation that would be required in almost any other department before these changes take place? I'd also like to know: where is the public airing of all the issues? What opportunity has the public had to voice their concerns in the form of a debate?

Now, then, I move forward here to the core businesses, goals, key strategies, and measures, and I know the hon. Member for Edmonton-Centre touched on this. Again, I look at performance measures here, and I see percentages. Now, when I only see percentages, I become very concerned, and there are a number of reasons why. First of all, as the hon. Member for Edmonton-Centre pointed out, we certainly don't know on what basis these percentages were arrived at. In other words, what questions were asked?

When I see only percentages, it doesn't give me any indication of

the size of the sample that was used to arrive at these figures. I don't know if this is a random sample, if it's representative of all parts of this province, if it's a biased sample, and certainly those are key issues that somehow should be pointed out here. As well, I don't see anything in here that indicates what sort of control was used, that the information we gathered here is accurate.

As I mentioned, I am quite concerned from all indicators that I see in this budget about this being an expanding department and one where I think the controls, the doors are going to be cast open and we are going to have a huge increase in the gaming business here in this province. Some of this comes from page 168, core business 3. I look under expenses, and I see under Core Business: develop legislation, regulations, and policy for the gaming and liquor industries. I guess the figures that indicate to me that this is growing are when I look at comparable budget for 2000-2001, \$73,377,000, and then I look for this particular fiscal year at \$89 million. We're growing here by approximately 16 and a half million dollars. Then I see the targeted figure for 2002-2003 at \$101,105,000 and again a target figure for the year 2003-2004 of \$114,468,000.

8:40

We don't get those types of expenses without a huge increase in the gaming industry. So my question to the minister would be: what is proposed? Obviously people have some indication of what is going to happen in the gaming industry for the next few years. That would be my question at this point: what does the minister see for the expansion of gaming in this province even though there is a freeze on at this particular time?

Now, then, in the estimates the 2001-2002 gross operating estimate for the department is \$217.363 million. This is an 18.7 percent, or \$34.322 million, increase over the 2000-2001 preliminary actual budget. The year before, from 1999-2000 to 2000-2001, the department's budget only grew by 2.6 percent, which was an increase of \$4.680 million. Again, everything looks like we are looking at a ministry here that is ever expanding, and certainly rapid expansion leads to its own problems.

So when we look, then, at the gross operating estimates, could the minister please provide a breakdown of the ministry's gross operating expense of \$217.363 million for 2001-2002 by object for the following components? Could he please start that with salaries for permanent positions, salaries for nonpermanent positions, salaries for contract positions, travel expenses, advertising, telephones and communications, and hosting expenses?

Will the minister provide a separate breakdown dealing specifically with the 18.7 percent, or \$34.322 million, increase in his budget this year over last year? Again, I would surmise that this certainly is another indicator that we are going to have a gambling expansion after the review is completed and the regulations are put in place this summer. I'm wondering if this increase in demand in applications – are these the ones that are being placed in the department of gambling expansion this year?

Now, then, there is currently a freeze on gambling expansion in Alberta, and this is because of a current review within the department on policies and regulations. One of the key initiatives identified under gaming is:

Consider the recommendations from the gaming licensing policy review to ensure that the appropriate policies and procedures are in place to deal effectively with Alberta's growing and maturing gaming industry.

Of course, this is found in the Gaming business plan on page 164.

My questions to the minister. When will the current review of the gaming licences be completed? Could the minister please provide a list of who was consulted for the gaming licensing policy review? Again, as was brought up by the Member for Edmonton-Centre,

certainly we would be most interested in knowing who all was consulted and what will happen in the way of a public airing of all the issues. Also, will public consultation as well as debate in the Legislature be allowed before lifting the freeze on gambling expansion? Will the minister commit to making public a full report including all details and recommendations made during the review before lifting the freeze on gambling expansion? Also, would the minister please provide a breakdown of all costs incurred in conducting the review? Again, what mechanisms has the minister put in place to deal with the recommendations from the gaming licensing policy review? Will it be publicly debated? Has a committee been struck to deal with the recommendations? If the minister could please provide those.

At this time I will cease with my questions and hopefully get an opportunity later to continue, and I will cede the floor to another hon. member.

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

MR. MASON: Thank you very much, Mr. Chairman. I'd like to make a few introductory comments about the Ministry of Gaming estimates, followed by some specific questions for the minister.

This is a government that increasingly relies on gambling as a source of provincial revenue. For the first time this budget year the ministry is estimating that profits from legalized gambling in Alberta flowing into government coffers will exceed \$1 billion. Alberta is more dependant on revenues from legalized gambling than any other province in this country. Our per capita gambling revenues are the highest among Canadian provinces.

In the past decade there's been a 10-fold increase in the profits of the provincial government from legalized gambling. You don't have to look any further than page 211 of the estimates to find out where that money is. The huge expansion in government gambling revenues has resulted from the advent of electronic gaming, notably video lottery terminals located in bars and restaurants, and increasing gaming terminals located in casinos. There is no question that electronic gambling has been a huge cash cow for the provincial government, especially this provincial government. According to the estimates over 85 percent of the gambling profits come from electronic gambling, yet it is a relatively new form of gambling and we're still not clear what the long-term societal effects will be from this most addictive form of gambling.

AN HON. MEMBER: Hell and damnation, brother.

MR. MASON: You better believe it, brother.

One thing we know for sure: the amount of money being wagered on electronic gambling in this province is staggering. The government claims that over 90 percent of the moneys wagered on electronic gambling is paid back to gamblers in the form of winnings. If this is so, what it means is that more than \$9 billion is wagered on electronic gambling in Alberta. So how much is \$9 billion a year? It's more than \$3,000 for every man, woman, or child in this province. In other words, about \$5,000 per adult Albertan is being wagered on electronic gambling alone.

Now, the minister may say that 90 percent or more of this money is recycled back in the form of winnings from VLTs and slot machines. Well, that's fair enough, but let's not forget that when it comes to gambling, the people losing the money may not be the same people as the people winning the money. Secondly, an independent consultant Harold Wynne estimated that about 50 percent of the money wagered on VLTs and slot machines is

wagered by the 6 percent of the population that are pathological or problem gamblers. Given all this, we need to be very cautious about further expanding electronic gaming in this province.

So my questions to the minister. Is the government considering lifting the \$6,000 cap on the number of VLTs in Alberta's bars, restaurants, and hotels? The government is under pressure from the hospitality industry to raise the VLT cap, and I want the minister's assurance that no such decision will be made and certainly not without there being broad public consultation first. Second, what is the status of the proposal from the Alberta Hotel Association to allow so-called gaming rooms or minicasinos to be established in hotels? Again, will the minister assure the House that no such decision will be made without broad public consultation and debate in this Assembly?

My next question deals with slot machines in casinos. In recent years the government has allowed a huge increase in the number of slot machines. The government is under constant pressure to allow new casinos as well as to allow existing casinos to expand and add new slot machines. Is the government going to cave in to these pressures? Of course; there's money at stake. [interjection] Thank you, hon. Treasurer, for being clear about the government's priorities. What are the government's plans when it comes to the casino gambling industry in this province?

8:50

Now, my next question relates to the First Nations' gaming policy mentioned in passing in the ministry's business plan. Could the minister please elaborate on the status of the gaming policy? Most importantly, will First Nations' gaming policy, once implemented, lead to a further expansion of gambling in this province, or will First Nations people be given a piece of the existing gambling pie?

My next questions are related to the so-called racing industry renewal initiative. Page 203 of the estimates indicates that this is a new program under which \$17.9 million will be paid by the ministry for this initiative. Now, this is an interesting point, Mr. Chairman, because the government of course makes a great deal about being out of business, but here is a subsidy, an outright subsidy for a declining industry in this province, being horse racing. Of course, everybody says that, well, it's really important, but you have to ask yourselves why the government is pouring money into supporting this declining industry.

Now, if you recall, in this most recent report the Auditor General rapped the government's knuckles for allowing racetracks in Edmonton, Calgary, and Lethbridge to skim 33 and a third percent of slot machine revenue as retailer commissions rather than the 15 percent they were entitled to under the law. The government is responsible for enforcing the law, and when somebody receives too much money in a social assistance benefit or in a WCB claim, gets more than they're entitled to under the law or the regulations, they're required to pay it back. In fact, yes, the government gets rather heavy with them, and I suppose they should if they're not entitled to it. But when they do it in the horse racing industry, when Edmonton Northlands or the Stampede board or the Racing Corporation engage in a legal activity which entitles them to take millions of dollars that they're not entitled to, what does the government do? Well, so far, at least as far as this member knows, nothing.

I raised this before the election in the committee responsible for looking at the accounts of the government, and nothing was done; my motion was tabled. As far as I know, there are still about \$18 million of illegal payments that have been retained by these organizations, and nothing's been done about it. So I would like to ask the minister: has anything been done to collect these debts? Will anything be done to collect these debts? If not, then I would like the

minister to explain, preferably in the House and as well in writing, why the government doesn't see fit to go after these nonprofit organizations to collect the money that is rightfully the property of the people of this province. I'd like to know if the government is going to be replacing that with the \$17.9 million. Is it the same money that is going into support of the rapidly declining horse racing industry, the same money that was taken illegally in violation of the law by these organizations?

The Auditor General also cited numerous other examples of the lack of accountability by the Racing Corporation, including that "the Alberta Racing Corporation has resisted attempts by the Ministry to direct how it should spend the resources provided to it." That's on page 116. The Auditor General then went on to give numerous examples of this lack of accountability. My question is: what is the government doing to make sure that the Racing Corporation is going to be more accountable? I would like that to be as specific as possible. I wouldn't be satisfied with just vague assurances that they're going to make the Racing Corporation accountable. So far the government has shown no desire to crack down on organizations who have taken more than their share from gaming revenues in this province in clear violation of the law. If they have to take it back, then the question is: are they just going to put it into a pot and then give it back to the industry in the form of a subsidy?

I would like to reiterate the question, Mr. Chairman: why has the government picked this particular industry to provide a direct subsidy of taxpayers' money to? Why hasn't it taken, for example, the taxi industry and done that? Why hasn't it taken the dairy industry? Maybe it has taken the dairy industry. I haven't been around long enough to find out.

I know that the government is ideologically opposed to government subsidies for inefficient and declining industries. They say so all the time, but here we have an example of millions and millions of dollars being poured into this industry, which really makes it the Swan Hills of gambling.

With that, Mr. Chairman, I will take my seat and let another member speak.

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

DR. MASSEY: Thank you, Mr. Chairman. I have a number of questions, and I'll make it brief.

I would like to ask some questions about the Alberta Gaming and Liquor Commission itself, and I guess my first question is: how are the members for the commission selected? What are the criteria used in selecting members for the commission? What measures are in place to ensure that those members are not unfairly influenced by outside forces?

My further question is: are they required to report to the Ethics Commissioner on their financial activities? And I would ask if there is a restriction on their activities similar to the one that they impose on licensees. I quote from the act:

No liquor licensee or employee or agent of the licensee may

- (a) directly or indirectly borrow or receive as a gift from any liquor supplier or liquor agency money, an advance of money or anything of value [and]
- (b) request or accept a rebate or concession from a liquor supplier or liquor agency.

They impose that restriction on licensees, and I wonder if they operate under the same kind of restriction, Mr. Chairman.

I have some questions about the fines that are levied by the commission on licensees, and they're rather extensive. There was a recent fine of a vendor where the penalty was \$10,000, and that

was concerning a violation of the regulations where evidently there had been a supplier of liquor who had made an agreement with the vendor to sell the liquor of the supplier. I'm not sure if it was exclusively, but there was an agreement, and they came down very heavily on that and fined him \$10,000.

There are some other fines. There are a number of them related to minors on licensed premises, and there seem to be an awful lot of them. I'd ask what's being done to address the problem. There seems to be sort of a scale. They start with a warning, then there's a \$250 fine, and then it seems to escalate. So I wondered what's being done in terms of that problem.

I had another example. The second example that I wanted to look at was a penalty of \$1,500 for the licensee Molson Canada. Again the misdemeanor, according to this, was trying to

directly or indirectly sell, give, rent or lend any furniture, furnishings, refrigeration equipment, dispensing equipment, fixtures, decorations, paintings, signs, supplies or other equipment to a liquor licensee.

So there's an attempt to regulate that kind of activity, and I'd be interested in knowing if it applies equally to the members of the commission.

9:00

A number of questions about the social responsibility, and I really do have some concerns. The money in this budget from the lottery funds is rather extensive. There's \$150 million for school facilities, \$60 million for postsecondary facilities, a million dollars for school support, and transportation subsidies are \$40 million: a lot of money going into education. There are citizens in the province who think it makes a difference where the money comes from. I refer to the bishop of Calgary, who has indicated that the Roman Catholic schools in that city are to look very carefully at where the money contributing to education comes from and specifically objected to the proceeds from gambling activities being funneled into schools. So in terms of social responsibility it's a good statement, but I'd like to know who makes that judgment. Who is responsible for that social responsibility judgment? Is there a performance measure? Is the public consulted and asked if they're happy with this state of affairs?

I think with those few brief comments I'll conclude. Thank you, Mr. Chairman.

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

MS BLAKEMAN: Thanks, Mr. Chairman. I know I've got a little under eight minutes to try and cover everything that the other hon. members haven't already covered, so I will clip along here.

It is interesting for me to note – and I will preface this comment by saying that I understand that there's been a House leaders' agreement on this and that all parties have agreed – that in the last six years we've gone from three hours of debate on a given ministry to two hours of debate on a given ministry, and now we've got one hour of debate on a given ministry. As these ministries get larger and larger budgets and more and more complex, I just find it really interesting how this government moves to have less and less debate on the various budgets.

SOME HON. MEMBERS: Point of order.

THE DEPUTY CHAIRMAN: The hon. Government House Leader.

Point of Order False Allegations

MR. HANCOCK: Thank you, Mr. Chairman. Under Standing Order

23(h),(i), and (j) it's totally inappropriate for this member to suggest that the government is cutting down the amount of debate on budget when it was subject to a unanimous House leaders' agreement with respect to how budget and Committee of Supply would be handled and was approved unanimously by this House. That was an agreement that was brought together by virtue of the fact that the opposition members wanted all of budget estimates to be dealt with in the House, and we strived to find a process which would accommodate that. For this hon. member to suggest that somehow the government is trying to cut down debate is absolutely inappropriate and casts aspersion on the character of the House leaders who made that agreement, including her own House leader.

THE DEPUTY CHAIRMAN: The hon. Member for Edmonton-Centre on the point of order.

MS BLAKEMAN: Yes. If the minister had been listening carefully, he would have heard me preface the comments with my understanding that in fact it was covered under the House leaders' agreement.

I just wanted to raise the interesting comment that that's where we have come with the debates. So if the minister seems particularly touchy about it, well, I do apologize for that.

MR. MASON: On the point of order, Mr. Chairman, I see what the House leader is getting at. It certainly is correct that it was the subject of a unanimous agreement between the House leaders, and he may well have an excellent debating point, but I fail to see how it is a violation of the rules of the House or of any other member to simply try and blame the government for something they may or may not have done.

THE DEPUTY CHAIRMAN: The hon. Member for Edmonton-Centre has apologized for making those remarks, and I believe we can proceed with debate.

The hon. Member for Edmonton-Centre.

MS BLAKEMAN: Thank you. I hope that was an interesting diversion for everyone.

Debate Continued

MS BLAKEMAN: Now, the questions. I'm back under the Alberta Gaming and Liquor Commission business plan, and under the AGLC values it says, "is committed to operating according," and then it names a number of points. "Act with integrity and in a fair and impartial manner." Now, I'm wondering: what is the performance measurement for that? How in fact do we know that everything happened in a fair and impartial manner, or is this to indicate that they want to act in a fair and impartial manner? I'll leave it to the minister to explain that.

Another question. Since allowing the casinos to provide in-house cash and count room advisors, has there been any change in the number of discrepancies that are reported? Since the government is so keen on assessing satisfaction, has there been decreased satisfaction from the charities with having to deal with in-house cash or cage advisors? Certainly, in the past those independent advisors were really there for the best interests of the clubs, and I venture to say that we're putting the in-house advisors in an odd position in that they're now paid by the very casinos, so I suspect they're looking out more for the interests of the casinos than the clubs.

Under AGLC core businesses is listed "license and regulate charitable gaming activities." I notice that there's been some investigation by the department into charities which are providing

recreational opportunities for adults. It was brought to my attention by the Edmonton Sport Council that a number of their member organizations had been investigated. I don't have the documents, so I can't quote specifically. Certainly, it had been indicated to them that there was some concern and that perhaps in fact these organizations should not even be eligible to hold raffles or casinos, bingos, or pull-ticket sort of activities. Could the minister please comment on whether that's going to change or what's going on there? Why are these various agencies being investigated?

When I look at the performance measurements under core business 2, "gaming activities are conducted in accordance with legislation, regulations and policy." Now, the Member for Edmonton-Mill Woods had already gone through a number of those that were fine for various reasons. I'm noticing that in the performance measurements we're looking for compliance rates of 90 percent for bingos and casinos, 80 percent for pull tickets and raffles, and that compliance rate goes up slightly as we look at 2002-03 and 2003-04. What exactly is the breakdown of reasons for noncompliance, please, if those could be supplied?

A final question. I'm wondering if we could just get a refresher on where the government is with removing the VLTs from those municipalities that asked that they be removed. I know there was a court challenge about that, and I'm wondering where we are in that process and whether the minister has any idea about when these municipalities that voted the VLTs out – and that's got to be two years ago now – will actually get them out of their communities, although I note that the ministry continues to make money from their share of the proceeds of these while they remain operating.

I'm wondering if there's been any move or offer from the government to negotiate or mediate an end to this court challenge that's been put forward by the gaming casino owners. What exactly is being done around Internet gaming? What are the investigations there? What's the policy development that's happening? What studies have been done by this ministry? What does the literature review say on what other ministries have done? Can we please get the breakdown – and I'll echo some of my colleagues – on what exactly is coming forth for ventures with aboriginal-run casinos?

A couple of specific questions. In program 3, lottery funded programs, I'm noticing the Edmonton Northlands and Calgary Exhibition and Stampede are consistent in there at \$7.1 million. Are these organizations grandfathered? They seem to get fairly consistent funding.

9:10

Just to close off in the last few minutes that I have here, I note that when we first started accounting for the lottery funding, 80 percent of the funds went to the quality of life initiatives that are essentially found under the community development section of the lottery fund summary of payments, and perhaps one could also add in what's found under the gaming component with the community lottery boards grants, major fairs and exhibitions, and some of those. Now when I look at the total amount of disbursements from the lottery fund, in fact those organizations have dropped, I think according to a pie chart I saw in here, to 8 percent.

Certainly a number of these other programs from different departments are now funded completely out of the lottery funds. I've always objected to this. The lottery funds were to be for enhancement of quality of life, and we're now paying for everything. Usually they're called one-time only grants, although I do notice that they're continuing to show up year after year.

In particular in the summary on page 206, Agriculture, Food and Rural Development, agricultural initiatives, nothing is listed, yet there's a total on the page for \$11.620 million. What is that? I'm

also noticing that the funding for the Trans Canada Trail has been dropped, and I'm wondering why. Under Gaming, other initiatives, \$11.102 million: exactly what are these other initiatives? Could I have them detailed, please?

I'll note that if we combine all of the original recipients of dollars from the lottery funds, we have \$108.5 million. If we add in the new ones the government has come up with under Gaming, that's another \$196.4, but the remaining \$711 million is going to all of these other initiatives, including Children's Services, Health and Wellness, Infrastructure.

THE DEPUTY CHAIRMAN: I hate to interrupt the hon. member, but the time allocated for the consideration of estimates has now come to an end. We have five minutes set aside for the hon. Minister of Gaming to conclude debate.

MR. STEVENS: Thank you, Mr. Chairman. I'd like to thank the hon. members opposite for their keen interest in the estimates of the Ministry of Gaming, and I'd be pleased to follow up on any outstanding questions resulting from this evening that are germane to the review of the estimates of this ministry.

There are a few comments I'd like to make based on the questions that were raised. The first would be with respect to the gaming licence policy review. It was in December of 1999, I believe, that the then minister indicated that there would be a review, and it was in February of 2000 that the AGLC began the review of a provincial gaming licence policy. While that licensing policy review is under way, the AGLC has suspended consideration of requests to license or approve new casinos, casino expansions, casino relocations, new games, and new gaming environments except for some commitments that had been made prior to December 1999. It's currently estimated that that review will be completed sometime this summer.

I noted that the hon. Member for Edmonton-Highlands made some comments with respect to problem gambling. The most recent information with respect to that issue in Alberta is as a result of an AADAC report entitled Adult Gambling and Problem Gambling in Alberta, 1998, which compares findings from its 1994 study. That particular report indicated at that time a significant decline in problem gambling rates. In 1998 4.8 percent of gamblers were problem gamblers and pathological gamblers, and that was down from 5.4 percent in 1994. So that is the best information relative to the Alberta situation and shows a downtrending situation.

I found it interesting that the members opposite were unaware of the detail of the First Nations gaming policy. It was the subject of a news release on January 19, 2001. The particulars can be found at the Gaming web site, which, of course, is www.gaming.gov.ab.ca, and I would encourage the hon. members to review that. It did make the press at the time and was the subject of some considerable comment, and as I recall it, it was a favourable comment from those reports that I did read.

The hon. Member for Edmonton-Centre asked why I am not a vigorous and vocal supporter of legislation with respect to conflict of interest. That may have something to do with the fact that there is a code of conduct and ethics, including a portion relative to conflict of interest, that the AGLC has in place. They've had that in place for some time. The latest iteration is from 1998. It is extensive, and in particular it works well. This all is in aid of the ministry's goal that its business and operation be conducted with integrity, trust, impartiality, and in accordance with generally accepted standards of behaviour.

Thank you, Mr. Chairman.

THE DEPUTY CHAIRMAN: After considering the business plan

and proposed estimates for the Department of Gaming, are you ready for the vote?

HON. MEMBERS: Agreed.

Agreed to:	
Operating Expense	\$217,363,000
Lottery Fund Payments	\$1,015,949,000

THE DEPUTY CHAIRMAN: Shall the vote be reported?

HON. MEMBERS: Agreed.

THE DEPUTY CHAIRMAN: Are you opposed? Carried.

Justice and Attorney General

THE DEPUTY CHAIRMAN: The hon. Minister of Justice and Attorney General to open debate.

MR. HANCOCK: Thank you, Mr. Chairman. I'm pleased tonight to present Alberta Justice's proposed business plan for 2001 to 2004 with the commensurate estimates. I'd indicate to the House that with me tonight in the members' gallery, of course, is the Deputy Minister of Justice and Deputy Attorney General, Mr. Paul Bourque; as well as Dan Mercer, the assistant deputy minister of strategic services; Shawkat Sabur, the executive director of financial services; Stephen Gauk, the senior manager of planning services in strategic management services; and, I believe, Betty Ann Hicks, my executive assistant in the minister's office.

I'd like to take just a few minutes now, and then at the end of the first hour I'll respond to questions to the extent possible but would be happy to provide written responses to any questions that can't be dealt with in the time frame provided. The business plan, of course, Mr. Chairman, reflects the new government organization responsibilities assigned to Justice and Attorney General. There were a number of changes to our goals and performance measures as a result of the creation of the Alberta Solicitor General. We'll continue to work in partnership with the Solicitor General to keep Albertans safe.

This, of course, is the second business plan since the Alberta summit on justice in January 1999. The summit brought together a broad cross section of Albertans and justice stakeholders to discuss a wide range of issues and concerns. Last year we implemented a number of key strategies that arose from the summit, and the focus of our business plan 2001 to 2004 is of course continued action in response to those recommendations. I might indicate, Mr. Chairman, that we asked the steering committee for that justice summit to continue on as the Justice Policy Advisory Committee in the sure and certain knowledge that implementation of the recommendations from the justice summit and providing access to justice to Albertans is an issue that is far broader than simply the Department of Justice and Attorney General itself.

9:20

In the business plan we've highlighted the many issues that impact the administration of justice, including public concern over perceived increases in crime and the complexity of our court system, and we'll continue to work to address the root causes of crime and address the challenge of delivering services that respond to cultural diversity.

Through our programs and services Alberta Justice is committed to the vision of a democratic and prosperous Alberta based on respect for the law, a province where all Albertans are safe in their homes and communities and have confidence in their justice system,

and a province where disputes are resolved fairly and effectively. Our mission is to serve Albertans by promoting safe communities, by ensuring access to the courts and other methods of dispute resolution, by providing legal and related strategic services to the government of Alberta, and by communicating with Albertans about the administration of justice.

This year we've added core business information to our business plan to provide clarification for the public and our stakeholders, and I'd like to briefly outline the core businesses that make up our ministry's \$220 million budget. Providing Albertans with access to the courts and other forms for resolving disputes is about 40.5 percent of our budget, or \$89.3 million. About \$30 million, or one-third of this amount, is required to pay judicial salaries. Providing legal services for vulnerable Albertans is \$81.7 million, or 37.1 percent of our budget. These services consist of support for Legal Aid, the Public Trustee, maintenance enforcement, the medical examiner, and child-centered family justice. Prosecuting criminal and other offences with a continued priority on serious and violent crime and organized crime is 13.2 percent of our budget, or \$29.1 million. Providing high-quality advice and legal services to government is \$20.2 million, or 9.2 percent of the budget, and this consists of programs in civil law, Legislative Counsel, and law reform.

I know you've had an opportunity to review the five key goals in the business plan, so I won't go into them in detail. But I do want to mention a few highlights, Mr. Chairman, and talk about significant changes from previous years.

The government of Alberta business plan states that "Alberta will be a safe place to live and raise families," and promoting safe communities continues to be a goal for Alberta Justice. Achieving this goal is a shared responsibility, and we recognize the importance of building strong partnerships with the judiciary, the legal community, aboriginal communities, and our stakeholders in policing, community organizations, and local government. Alberta Justice has made a commitment to develop a new key performance measure for this important goal. Former measures such as crime rate are under a similar goal in the Alberta Solicitor General business plan.

Recognizing the needs of the victim in the criminal justice system helps to restore the balance of society in a humane and fair way and is an important goal of our justice system. Alberta Justice has made a commitment to develop a new key performance measure for this important goal. This performance measure will relate to victim satisfaction with the justice system and the success of prosecution service in vindicating the public interest through the prosecution of crime. Former performance measures related to this goal are in the Alberta Solicitor General business plan. While victim services are mainly the responsibility of the Alberta Solicitor General, Alberta Justice also supports victims in the criminal trial process through the work of Crown prosecutor public assistance units.

Alberta Justice will continue to focus on providing access to justice services for Albertans in need, improving access to civil and criminal justice, and providing effective legal services to the government of Alberta. Our performance measures for these goals remain unchanged from last year. The goal related to facilitating the rehabilitation of offenders and its accompanying performance measures is in the business plan for the Alberta Solicitor General, the ministry responsible for provincial corrections services.

The financial content of our business plan reflects Treasury Board approvals over the past year, federally funded programs, and funds for continuing initiatives. The spending profile on the last page of the business plan shows our spending targets of \$220 million, \$223 million, and \$228 million over the next three years. This represents an overall decrease of \$8.9 million, or 3.9 percent, for 2001-2002.

The primary reason for this decrease is the removal from our budget of \$17.2 million in onetime funding relating to the Judicial Compensation Commission. The government agreed to implement the recommendations of this independent commission and fund its costs. Justice will continue to cover ongoing costs for judicial compensation, but onetime costs for the commission and for judicial pensions have now been removed from the budget.

Increases to the Justice budget have been minimal. We do however plan to continue our progress on justice summit initiatives and other priorities by carefully managing within our base funding. The strategic initiatives described in our business plan are primarily funded within our base. The only major increase to our budget is a much-needed increase of \$4.7 million for Legal Aid. For 2001-2002 the grant paid to Legal Aid will increase by 20.8 percent, from \$22.5 million to \$27.2 million. These funds will be used by Legal Aid to expand its financial eligibility guidelines by 5 percent so that more low-income Albertans will be eligible for Legal Aid assistance.

In addition, compensation paid to private bar lawyers doing Legal Aid work will increase from \$61 per hour to \$70 per hour. The \$61 per hour rate has been in place since 1991. It will also provide for a notional increase of \$2 per hour until the rate reaches \$80 per hour in 2005. Legal Aid will also be establishing a family law staff counsel pilot project in Edmonton and Calgary to ensure that there are lawyers available to help low-income families who need family law assistance.

Delegates at the justice summit identified access to justice and the cost of administering justice as major concerns. In response we've identified several strategies to address these concerns. Early case resolution is an initiative to reduce unnecessary court attendance by victims and witnesses as well as reduce the time to trial. It also identifies at the earliest possible time whether a restorative alternative, such as alternative measures or an early guilty plea, is appropriate.

We will continue to explore communication opportunities with Albertans to improve public understanding of the justice system. Through our education co-ordinator strategy we'll identify gaps in current programs and resources aimed at helping Albertans understand the judicial system and develop and implement strategies to address these needs in partnership with justice stakeholders.

Improving support for Alberta families through family law reform continues to be a key initiative for the ministry. Our planned reform of family law is an ambitious undertaking that will require great sensitivity and effort. Consultation with the legal community, the judiciary, the Law Reform Institute, and public and other stakeholders will be a key part of this process. After its own extensive consultation with Albertans the United Family Court Task Force has made recommendations on how access to the courts can be improved for those involved in family law disputes.

In 1998 the MLA review on the maintenance enforcement program recommended significant improvements to communications with clients and an increased collection capacity. To address these recommendations, \$1.4 million has been committed to develop a client services strategy, fully staff needed areas, and deal with classification adjustments.

The MLA review also recommended significant improvements to maintenance enforcement's information system and technology, and for 2001-2002 \$1.2 million has been allocated to design a new management information system intended to improve service and reporting ability.

Initiatives to improve the justice system's support to families are also being planned using \$2.7 million in federal funding for families in need that will be received over the next two years. We're working with child and family services authorities to expand our

child welfare mediation program across the province. Right now it's only available in Edmonton and Calgary.

That will conclude my opening remarks. I'd be happy to take any questions that members might have and, as I indicated earlier, would be happy to respond in writing to those that can't be responded to tonight.

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

MS BLAKEMAN: Thanks very much, Mr. Chairman, and thank you to the minister for his overview. He's already provided some information that I was looking for. I'm assuming that we're joined by staff from the Justice ministry in the members' gallery, and I welcome them. I see we also have some other observers joining us tonight, and I welcome you.

Now, the minister has already gone over the four core businesses of the Justice department, but I'm noticing that when I look at the government business plan on page 28, the only key strategy in the government business plan for this three-year period from 2000 to 2004 that's specific to the Justice department is, as the minister mentioned, to "improve support for families through family law reform." I'm wondering why issues like access to justice and maintenance enforcement, for example, don't rate mention, that the only one mentioned is the improved support for families.

Now, when I look at the core businesses of the Justice business plan for 2001 to 2004, obviously one of the directions that the ministry is going in under prosecutions is early case resolution, and the program that they have in place for that – I suppose others would know that as plea bargaining. Specific to pages 259 to 260 I have the following questions. What are the anticipated savings of the early case resolution program? Has the minister considered the possible impacts on community safety of this program of restorative diversion, alternative measures, stepped-up plea bargaining, and the dropping of prosecutions? What has been the analysis around possible impacts on that?

9:30

One of the components of early case resolution is "the reduction of unnecessary witness attendance through discussions with defense counsel." I'm wondering if the recent Jaber influence peddling case, where there was just an agreed-upon statement of facts and no witnesses were called at all, is an example of this reduction of unnecessary witness attendance through the early case resolution program. I myself was in the courtroom for the sentencing and noted, again, that the judge indicated a concern about the lack of any witnesses. I'm wondering if the minister has had any other feedback on other cases from the judiciary or other concerned parties about this method employed to achieve early case resolution.

Under the courts and access to justice, which is a very keen interest of mine, and particularly access to justice for women. There have been a number of reports and documents produced over the last 10 years documenting the difficulties that women have in accessing the justice system. I'm wondering if the minister or any of his staff are aware of the project being done out of Calgary by Women Looking Forward, which is exactly on women's access to justice, and if they've had an opportunity to review this. I think at one point I did in fact table in the House an early outline of what that program was going to be. What specifically is around this? What measures are in place in this budget to improve access to justice for women in this province?

It continues to be an issue, I know, for many of us that are dealing with constituent concerns, and of course I end up hearing a lot of

maintenance enforcement cases in my office. It certainly appears to me that women just get beaten down by the system. They just get hauled back in there so many times. You know, they're working on minimum wage jobs. They're losing money when they're not at work. They're paying for parking and baby-sitters. They just can't afford it, and they give up. In doing so, they are giving up their opportunity to achieve justice for themselves. The system is just stacked against them. It's still very much a culture of men, where things like parking and baby-sitters just aren't an issue. What work has been done there?

Still on access to justice. Given that the access to courts and other dispute resolution processes is now one of the only four core businesses left after splitting off with the Solicitor General side of the Justice department, could the minister explain why it is that the estimates for court services decreased from the gross comparable 2001 preliminary actual figure of \$100.7 million to \$84 million in this budget 2001-2002? I'm wondering, since the 1999-2000 figure was at \$83 million, why it was not maintained at this higher actual figure that's coming from the 2000-2001 budget year.

Now, looking under goal 4, "improve access to civil and criminal justice," which is found under the key performance measurements on pages 263 and 325, we're talking about median elapsed time from first to last appearance in provincial criminal court. I'm wondering why the target in recent years has been raised to the Canadian median. Why, in a province that prides itself on being first, biggest, best, fastest, and funniest, have we chosen a Canadian median here and not attempted to aim higher? I'm wondering also why this is the only measure of improving access. Is anything being looked at about elapsed time in the Court of Queen's Bench, criminal, or the provincial civil court and Queen's Bench civil matters? What about family court, traffic court, youth court, and the Court of Appeal? What are the measurements for their elapsed times? I'm not seeing anything about that in there, but perhaps the minister can enlighten me.

Certainly in this House we have seen something of the issue of replacing court reporters with tape recorders. I know that we had court reporters in here and were introducing them and questions were asked. I'm wondering how much money has been saved thus far by replacing court reporters with the tape recorders?

MR. BONNER: What's the efficiency of it?

MS BLAKEMAN: Well, what's the efficiency of it? Exactly.

With any new system like this, there are bound to be bugs that have to be worked out. What has the minister or the department staff received as feedback from the judiciary, court clerks, litigants, the bar, or anyone else that's involved with this process?

Was there a cost comparison done prior to the move to this? It did seem to be a fairly sudden move to this in the last fiscal year, and I know it caused a great deal of upset. What made the ministry believe that this was a good way to go? What kinds of other programs have they looked at in other jurisdictions that told them this was going to be a good idea? I have found before that this government says it's consulted and looked at other things, and once the program is already implemented and we go back and look and double-check, in fact there was no evaluation done. So we're past the fact now. I'm going back and questioning the minister on exactly what it was they were looking at or consulting with that made them determine that this was a good idea.

Moving on to legal services to government and sticking to the Attorney General functions. This is an area where the Justice department lawyers are acting on behalf of other departments. Under goal 5, providing "effective legal services to the government

of Alberta," a key performance measurement is client ministry satisfaction with legal services. We have a target of 95 percent, but how is this measured? Is this an opinion poll of ministers who've used Justice lawyers? If other ministries are so satisfied, then my question is: why does the use of outside counsel keep expanding at ever increasing costs? If everybody is so satisfied, why aren't we handling more matters in-house? But we're not. We're having more outside legal counsel and more expensive outside legal counsel. So what's with this target of 95 percent? If we're that satisfied, why aren't we using it?

I know that one of the other members is covering the Auditor General's report on Justice, but I just hooked into this one specifically. In the '99-2000 report the Auditor General recommended "that the Department of Justice enhance its systems for managing and reporting on the cost-effectiveness of legal services, including contracted services." The government noted it in its response to the Auditor General's recommendations on fine collections activity, but it's silent on the recommendation of legal services, and I'm wondering why that is. Why the picking and choosing of responses here? If they were willing to comment on the AG's recommendation on fine collections, why is the department silent on the recommendation on legal services?

I'm continuing on in the same area, which is legal services to government. Has the department been taking steps to review the cost-effectiveness of legal services including contracted services? What steps to review cost-effectiveness have been taken in relation to the services provided by in-house Justice lawyers? Has the department concluded its review of the cost of the outside counsel hired in the Stockwell Day defamation suit? We're told by reliable sources that the Justice department officials attended on the offices of this outside counsel to scrutinize matters relating to the Stockwell Day defamation suit. Have any conclusions been reached by the department about the appropriateness of the legal bill in that case? Are there any plans to have the bill of costs in that case taxed by a taxing officer of the court? Could it be said that the lawyers in this case gave good value for money, or how is that being determined? What criteria has the department used to evaluate that?

9:40

Now, in respect to the Legislative Counsel office – and I'm on page 319 here – this being the office in the Justice department that helps draft government bills. In fact, we saw an example of that today where we had Bill 10 coming back in – this was on the Traffic Safety Act – and it was doing cleanup on the amendment act that was passed a year or two ago. At that time it was Bill 24, and it was having to correct a number of inconsistencies and small omissions from that earlier bill.

So when I look at the Legislative Counsel office – and I understand that in this session's miscellaneous statutes amendment bill the government is seeking to correct numerous errors in legislation that has already been given royal assent 18 months ago. Apparently these errors were not picked up until legal counsel for client groups scrutinized the legislation long after it was drafted with the assistance of Legislative Counsel. My question is: does the Legislative Counsel office have sufficient resources to do its job, or does this demonstrate the need for all-party scrutiny of bills in the committee stage, as is done federally and in other provinces?

Certainly this issue contains a number of other issues that I've brought forward before: the need for the Law and Regulations Committee to be meeting, the need for there to be sufficient time from first reading of the bill for opposition members to circulate the bill through stakeholder groups in the community and get feedback from them in time for us to be incorporating that into our presenta-

tions back into the Assembly. You know, you just can't do a 24-hour or a 48-hour turnaround when you're trying to contact nonprofit groups in the community or individuals in the community and get them to give you some feedback. What additional support is being considered here for the Legislative Counsel office? I'll admit that I'm not a lawyer, but it sure seems to me like there's a great deal of pressure being brought to bear here, and additional resources may well be appropriate. What is the government's assessment of that? I'd be interested in hearing.

Now, the maintenance enforcement program is a particular interest of mine. I think I'm now in the 14th year of working on this issue. I'll start on some of my questions with that, but I may well have to return later to complete my questioning.

When we look at the performance measurement, "the amount collected on Maintenance Enforcement Program files," this just drives me wild. For starters, why was the target reduced for 2000-2001? We have a target here of \$3,025 per file. When you divide that by 12 months, we're coming out with about \$252 per month. Now, child maintenance awards have finally come into the real world and are generally much higher than that, more in the \$400 or \$500 range per child. So when we're looking at an average collection of \$252 a month, we're pretty low here. Does the minister consider that this is a low target, or does he feel that this is an appropriate target?

We also have the way the ministry is assessing their success in collecting. We're still not dealing with the fact that a file is considered collected if only a dollar has been recovered into the account in a given month. So we can say that we've got 75 percent of our files having activity in them, which is what tends to be measured here, activity, but that in fact could be a whole bunch of files where there's been a partial payment of a ridiculously small amount. The point of this is that that money is to be going out to the children, and I still feel we're failing the children in our administration of this. I recognize that the minister has come a long way in strengthening what's needed for this program, but it is achingly slow in my opinion.

Now, I went back and pulled the maintenance enforcement MLA review and started going through what had been committed to. I won't go into the legislative side of it, because obviously that was accomplished with the legislation, but there were a number of other issues that I've been bringing forward with the minister over the years through written questions and motions for returns and questions in question period to track what is happening here. I heard the minister say that \$1.2 million had gone into computers. I missed the second figure that he mentioned about the grids, pay scales for the employees. The computers: again, that's something I've been asking about for years. When I asked about it in the last session, in fact it came up that the whole computer database package was going to tender. It hadn't even been bought and put in place and implemented and all of that, and that was some two years after the MLA review had recommended that that happen.

So at this point we've got \$1.2 million in there. Does that mean that the computer system has been purchased and is up and running? Or what exactly is this . . .

MR. HANCOCK: We haven't approved the money for it yet.

MS BLAKEMAN: We haven't approved the money for it yet. That has not stopped this government from going ahead and spending money. Afterwards, I'm pretty sure that we've had an interim supply bill in front of us and also a supplementary supply bill. So that hasn't stopped the government in the past, although I appreciate the minister's own commitment to not doing that.

So I'd like to know where we are in this process. Are we still tendering this thing? If it hasn't been purchased yet because you're waiting for approval of these funds, how long until we actually have this system up and running? We're now three years after we said we would do this, and we've got all these different databases and computers in there of varying ages and capability which for the most part don't talk to one another, which is a staggering state of affairs in the year 2001 given the capabilities of computers.

I understand I've reached the end of my time. Thank you very much. I shall return again later.

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

MR. BONNER: Thank you very much, Mr. Chairman. I just have a few comments that I would like to make this evening on the Justice estimates, and I would like to thank the minister and the members of his staff who are here with us this evening to try and answer our questions.

In looking over the Justice business plans and without trying to repeat what the hon. Member for Edmonton-Centre has said, I want to first look under these business plans at courts and access to justice. I look at two particular groups that in the past session I had the opportunity to work with. One was the Disenfranchised Widows Action Group, and the other was a number of injured workers throughout this province. Both did not have access to the justice system in a manner in which they could afford representation. They certainly didn't have the resources so that they could pursue their action because they were not getting any degree of satisfaction or timely resolution to their issues. So certainly in looking at these situations, access to justice for all Albertans and all Canadians is a vital issue.

I look at two reports that were done, one by an all-MLA government committee in reviewing operations with the WCB and also one by Justice Samuel Friedman, which certainly indicated that the whole system in the WCB is not a level playing field, that it is tilted in favour of the employers in this province, and that the injured worker, again, is one of those people who doesn't have the resources or the skills, in many cases, to represent themselves, so as a result they end up in a long series of frustrating events tied up in the WCB system and certainly with no access to the courts.

9:50

Moving along, then, I had the opportunity last summer to listen to Jesse Jackson. Jesse made a very important point about the poor people in the United States, and I think it's very applicable to what is happening in Canada. He went on to say that in the United States today the poor people aren't our new immigrants who have come to the United States. He went on to say that it is not our seniors who have retired and are living on fixed incomes. The poor in the United States today are mothers with young families. In looking at a number of statements that have been made, certainly this is a group whose incidence in this province is rising and who are having more and more difficulties raising those children.

So in looking at the access to justice, I want to look at what measures are in place in this budget to improve access to justice for women in this situation, for young mothers and their families. As well, what I want to know from the minister when we look at the whole issue of maintenance enforcement – when a mother can pick up a phone, make one phone call and find where her ex is, yet the department that is in charge of maintenance enforcement has not been able to locate this person for four years, then I think we have to have a major review as to the processes that are going on in order

to find these people who are not honouring maintenance enforcement and who certainly are putting demands on this province by not fulfilling their own responsibilities.

Now, then, as I mentioned earlier, other people in this province who don't have access to justice are certainly the injured workers, and not all injured workers. There would be a very, very small percentage of them, but there are very severely injured workers in this province and there are workers in this province who have injuries which have left them in a situation where they will never be able to return to the type of work they did before the injury, yet they are tied up in the system in WCB that keeps them there for quite a while.

Now, I know there is a connection here, and that connection is the fact that in many of these cases their issue is not with their former employer, but their issue is with the WCB, whether it be a medical adviser whose opinion differs widely from any panel of experts they have. These are people who have attended programs sponsored by WCB and been injured at those programs, yet they don't have the opportunity to get outside of WCB, to get into the justice system. They certainly aren't in violation of the Meredith principle, which made this a no-fault insurance. So this is certainly an instance where injured Albertans don't have access to the justice system and have been denied access to it by a cumbersome process, certainly a situation I do hope is addressed in the reports that are presently being prepared on the WCB and our appeal system.

The hon. Member for Edmonton-Centre asked a number of questions, and she was looking here particularly at legal services for vulnerable Albertans. One of the issues she didn't bring up that I would like to touch on is this whole issue of legal aid. The support for legal aid, which is found on page 320, is increasing from \$22,542,000 to \$27,242,000, with the stated goal of (a) making legal aid accessible to more Albertans and (b) establishing a family law staff counsel pilot project in the legal office. So my question to the minister: how much of that increase will be allocated to operating the family law project and how much to the general legal aid fund? As well, what are the expected demands of the family law staff counsel's office, and are there sufficient funds being allocated to that office?

Now, I notice here as well under performance measures the number of eligible Albertans receiving legal aid services. This is from page 263. Why was the 2000-2001 target lower than the 1999-2000 target, and have sufficient funds been allocated to achieve the target of over 10,000 more recipients in 2001-2002? Will the province be participating in the upcoming national review of legal aid?

We also have a strategic objective of "access to justice and cost of administering justice," again very, very key issues. Improving public understanding and knowledge about the justice system is outlined on page 260. What exactly is the education strategy described in the business plan, and when will it be completed? Also, what is the expected cost to the government and to the justice stakeholders? Will this put a strain on the limited resources of the stakeholders?

Now, then, another strategic objective is "support for families." This is found on pages 260 and 261. I do have a few questions here that I would like to ask the minister. My first question is: why is there no performance measure for the family law system? When will the family court initiative pilot project be expanded to other judicial centres in this province? What are the main findings of the Unified Family Court Task Force that has now reported to the minister? Is the minister planning to establish a unified family court in the Court of Queen's Bench or Provincial Court? Isn't it true that the Provincial Court will not be able to handle all aspects of family law, including divorce, making it a less effective forum for a unified family court? If the minister were heading in the direction of a

unified family court in the Court of Queen's Bench, does he have an estimate as to how many more federally appointed judges would have to be allocated to Alberta? Does he have an estimate of how much money would be freed up to allocate to family law services with the appointment of more federal judges?

Finally, just a few more questions here on support for families. What form will consultations with respect to family law reforms take? Will they be public hearings? How will the public be able to make submissions? Will the consultations take place over the summer holidays with very little advance notice to interested stakeholders? Again, this whole issue of public input, public consultation, and the public's ability to address the issues as seen from their eyes is certainly a very, very critical point.

So at this time, Mr. Chairman, I would certainly like to close my comments and leave some time for other hon. members here to address these issues when it comes to dealing with the Department of Justice.

Thank you very much.

10:00

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

MS BLAKEMAN: Thanks, Mr. Chairman. There were a few other questions that I wanted to get in around maintenance enforcement, and I'm aware that the Member for Edmonton-Mill Woods also had a series of questions, so I'll try and get in a bit more time now.

The performance measurement for maintenance enforcement was dropped out of the new business plan, and I'm wondering why. There used to be a performance measurement for client satisfaction with the services of the maintenance enforcement program. I've spoken often about using satisfaction surveys as an indicator of performance of the government, and I'm not keen on them. In this case I'm wondering if the reason it was dropped was that the satisfaction level was so low. In '97-98 we were at 54.9 percent; '98-99, 57 percent; and '99-2000, 60 percent. But the entire thing has disappeared now, and I'm wondering why this was changed. In fact, I don't see any performance measurement around maintenance enforcement, but I might have missed it.

I'd like to sort of go through and do an update on the maintenance enforcement program and where it's at today. One of the recommendations was good client relations, and the response from the government or the action that was going to be taken was: customer service strategies being developed. This was in the response in '98 to better respond to clients, and I'm wondering where that customer service strategy is at. I still get very stressed and despondent creditors coming forward who cannot seem to get any response. They're supplying information about where the debtor is working, their licence plate number, their bank account numbers, their tax returns, and still they don't seem to be getting any money or much money coming forward. Where is the department now with that customer service strategy?

The assessment of client satisfaction was to be considered a fundamental measurement to map success, and as I have just pointed out, that performance measurement got dumped. I'm noticing that the response was that feedback mechanisms were to be developed, including an annual client survey and a system to track and analyze complaints. Well, the client survey doesn't seem to be turning up anywhere. If it does exist, could I get a copy of it, please? What is the system that's in place now to track and analyze complaints?

There was a move to better educate people as to what exactly the department did, which I applauded at the time, because I think many people were misled in believing that the primary function of the

department was to secure maintenance enforcement for creditors. In fact, I think the primary function was to secure the subrogated arrears or subrogated amounts owing to the government. That's where it started. That was the function of it at the beginning. In fact, for years we had problems where MEP lawyers wouldn't go to court on behalf of a creditor who did not have any part of their arrears subrogated. The lawyers just wouldn't go to court for them at all, and when they did go to court, then they were only interested in securing the subrogated amounts and would often bargain away . . . I'm sorry.

THE DEPUTY CHAIRMAN: Hon. members, the noise level is getting pretty high. The chair is unable to hear the speaker. Please tone down. Thank you.

You may proceed.

MS BLAKEMAN: Thank you. I'm delighted that the chairman is so interested in hearing me. I'll try and get a little closer to the microphone to enable him there.

I was talking about the attempts at the beginning to let people know what the department was really capable of doing for people. Certainly for families that are expecting a court-ordered payment of, you know, \$500 a month per child and there are a couple of children involved there and they're not getting any money at all month after month after month, this is a very difficult way to live. There is a large number of people, tens of thousands in this province, who are under the maintenance enforcement program who are in that position. They never know when the money's coming, if it's going to come at all, and they're very frustrated. They certainly look to the department staff to be giving them information. So what is happening with that?

There was to be telephone technology with a voice response system providing 24-hour information. There were periodic updates through newsletters and income statements. How many of these things are implemented at this time? There were to be staff development programs to include procedures, technology, and customer service modules. Did that happen? In fact, did that get implemented? Is it still running? What is the evaluation of the success of that? Is the department looking at making any changes in that area? Certainly I had brought forward to the minister a number of times that the staff – I felt they should have been recruited with a collections background to be able to do the job better. I'm wondering if in fact that was implemented or if we were just moving people around from other government positions in other departments. I understand the need, and it's a noble idea that the government would look after its employees, but this is a very specialized area. Where did we get with that?

What happened with the idea that client status change reports would be sent to creditors when there is a change in the payment amount? I still get calls. I've got a case that I'm working on right now. It came in about three weeks ago: couldn't find out when things were happening, wasn't being informed of this, had all kinds of different dates. The dates she gave me turned out to be dates for different things. So it doesn't sound to me like that client status change report is happening. If it is, how successful is it? I mean, I've just gone through five different recommendations from the MLA review that were undertaken by the government. There are a number of areas there that there could be performance measurements taken on. I'm wondering if any or all of these are being anticipated as a performance measurement. Or is it used as an internal performance measurement in the department?

There were to be new communications procedures to quickly deal with complaints. Did that happen? Are results being monitored to

improve program effectiveness? I have spoken a little bit about the redevelopment of the mainframe technology projected in three years. Well, we're at the end of the three years and we still don't have the computer in place and the mainframe technology. We're now going into our fourth year on this, and the money is in the budget now to actually install the computer. I asked the questions already about when it is going to be installed and what kind of performance measurement is going to be in place around that.

The staffing levels was the other area that the minister talked about and the physical facilities. Now, were the physical facilities enhanced, or were they able to move to a different place? I know that a few years back they were basically working out of the same offices that they'd been in since the establishment of the program. It had been rearranged; they couldn't count the number of times. It was not a working atmosphere that was conducive to lowering stress, which was a real problem amongst the staff at the time. Have they been relocated? Have the premises been renovated? What is happening with their physical facilities, and where are we with the staffing levels?

The minister spoke very briefly – and I haven't had a chance to look at the Blues – about what was happening with the grid payments. At the time we looked at this, reviewed it, there were a number of staff people that were in part-time and wage positions and temporary positions. There was a recommendation that staff get put into – it's actually in here – full-time positions and full-time salaried positions. I believe most of that happened, but I'm checking on that. How many of the staff are salaried full-time? How many are salaried part-time? How many are on a contract or a fee for service, and how many are on wage? I'd also be interested at this point in how many in biquarterly reports for the last fiscal year were off on WCB stress leave and long-term disability. If the minister can report on those as well.

10:10

Now MEP was also to initiate a three-year business plan. We are at the end of that cycle. What does the new business plan look like? I'm not seeing it in these budget books. So if I could have a copy of that business plan, I'd appreciate it. The three-year business plan: we were at the end of the cycle. What's the new cycle? What's the new business plan for maintenance enforcement?

Was the corporate culture of service to clients through training and improved business processes in fact put into place? Oh, yes, there it is. I was looking for the recommendation to convert project and wage positions to permanent positions. That was recommendation 20. It says in my notes here that it was completed on August 15, '98. I'm inquiring on what the current status of that is and whether there's been any slippage backwards.

The special unit. What has been the evaluation of the special unit that was established to handle particularly difficult or chronic cases? I'm wondering if we are deeming that a success. Is it useful? Is it cost-efficient? I had great hopes and expectations around that unit. Have they been met? What is the department's evaluation of that? There was some talk about referring difficult cases to private-sector collection agencies. Is that being done currently? If so, what is the cost to the program of doing that, and how many cases are being referred out to private collection agencies?

I understand and I share concern – I hope I share concern with the minister about this program. It's one that's vital to mostly women and children, but certainly there are some men who are creditors, and anything we can do to improve that program certainly has the support of this member.

I would like to say to the minister and his staff that overall I have found the business plans put forward by this department to be the

clearest that I have read, and I commend the department on that. I think this was certainly the easiest estimates that I read. They were clear and had good explanations of where we were going. The truth is that in many ways this department is going in the direction the Official Opposition would like to see them go in. Many of the concerns that have been raised by my predecessor the Member for Edmonton-Norwood, who was the previous Justice critic – and she certainly pushed hard in a lot of different areas. The ministry has stepped up to the bar on that one. I do want to make that clear to the ministry, that I think they're doing a good job. Of course, I'm always going to ask them to do better. I think for the most part we're dealing with some interesting problems that are difficult to attain. In fact, our crime rates are dropping, but the perception of crime by people continues to rise. So how do we as a government and as legislators deal with that difference in perception?

I'm aware that others are waiting to speak, so I won't go on much longer. The other areas of concern, of course, generally are activity around gang problems and the prosecution. We had that huge gang case that came up and then was withdrawn and then came back again. We built an entire courthouse for it. Just as an individual following this in the paper, it seems to be a huge schemozzle. What has been learned from that? Where can we go in the future to do it better? What kind of money did that entail for the department? Is there additional money in this year's budget to deal with anticipated other cases that are coming forward there?

So my thanks for the opportunity to speak to this budget again. I look forward to the written responses from the minister. I know he's got a good reputation for timely and full responses to questions. I will relinquish the floor to my hon. colleague the Member for Edmonton-Mill Woods.

Thank you.

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

DR. MASSEY: Thank you, Mr. Chairman. Two things. One, after the complimentary remarks of my predecessor I'm almost afraid to offer any criticism or ask any questions, but I will. The second thing is that I intend to introduce an amendment, and I thought I would do that at the conclusion of my remarks. It's available for distribution.

I would like to ask a few questions, one about performance measures. We've been in the business of formulating business plans for almost 10 years. Given that, I guess my question is: why is there such a paucity of performance measures in the Department of Justice? The number that we have in this business plan is down from what we had previously, and a number have been dropped. I wonder if we could have some explanation.

The public perception of safety as a performance measure has been dropped. That was an important measure except that it was given on a global, provincewide basis, and I think to have meaning to residents, it somehow or other had to be broken down. I say that from experience in my constituency, where the perception is that it has a high crime rate, given some recent gang activity, when in fact the crime rate for the constituency is the second lowest in the southeast part of the city. So the public perception of safety I think is an important measure, and it's one that has to get out to citizens.

I noticed that somewhere at the beginning of the preliminaries of the business plan there was talk about putting material on a comprehensive web site, but I just note that the city of Edmonton police department has a web site with crime rates for different districts in the city. It's obviously not being accessed by a very large number of people, or the perception that stays out there that crime rates are high and rising in a particular constituency and are a matter of concern wouldn't be there.

I wonder about the performance measures. The victimization rate was dropped as a performance measure, and the crime rate was dropped as a performance measure. As the Member for Edmonton-Centre indicated, the client satisfaction with the services of the maintenance enforcement program was dropped from the department. So it's a bit of a concern.

10:20

To go back to the crime in our constituency and the problems we've had, one of the things that struck me – and maybe the minister has some suggestions – was the lack of any one place the community could go to for help. They met with the federal Minister of Justice. I know they contacted the minister's office. The community held town hall meetings. There were a number of efforts. They have met continually with the police department. Yet there didn't seem to be any kind of leadership that came forward from the provincial government that would help them in terms of dealing with the problem within the community, that would point them to some resources and would even provide resources. I wonder if that's being considered by the department as something they might legitimately become involved in?

There are a great number of questions about the performance measures. Some have been indicated already. The Auditor General was a little testy in one of his recommendations. He's indicating that he's been asking for performance measures in a particular area since 1994 and 1995, and those measures still haven't been forthcoming. So those are very brief comments and don't do justice in any way to the ministry and the work that's before us.

There is one line item that I find really very difficult, and it's the one I would like to make an amendment on, Mr. Chairman, if I might. I'd like to propose an amendment to the Committee of Supply.

THE DEPUTY CHAIRMAN: We'll refer to the amendment as amendment A1.

DR. MASSEY: Has it been distributed, Mr. Chairman?

THE DEPUTY CHAIRMAN: No, it hasn't. Once you move it, it will be distributed.

DR. MASSEY: Okay. I'd like to move:

Be it resolved that the estimates for the standing policy committee on Justice and Government Services under reference 1.0.7 of the 2001-2002 estimates of the Department of Justice be reduced by \$95,000 so that the operating expense and capital investment to be voted is \$193,564,000.

I'll wait a minute while that's being distributed.

Mr. Chairman, that is the amount of money that's in the budget for the standing policy committee, and I think the standing policy committees have caused enough difficulty and should at least be reviewed by the government. First of all, only government members sit on those committees. I've attended a number of the policy committees, and I guess I am appalled at the way some presenters are treated. Some are treated rather shabbily. Some are even treated in a hostile manner by government members. I'm also concerned that it's used as an opportunity by some government members to chastise various interest groups in the province. This is a committee being paid for out of taxpayer money, and I find it inappropriate.

I have long held that feeling, and I know it's been shared by a number of my colleagues over the years. I think it was really reinforced this last July, when the former Member for Cardston-Taber-Warner made some comments in the local press about standing policy committees. That member indicated two things if I

remember correctly, Mr. Chairman. The gist of his remarks was that the standing policy committees are make-work committees for government members. The second thing he said, and I guess more important, was that he indicated that the committees had absolutely no power. I think that coming from a committee member and a government member is very, very telling. That's why I have moved this amendment to have the money for the standing policy committee removed from the budget.

THE DEPUTY CHAIRMAN: Anybody else on the opposition front who would like to speak to the amendment? Okay. Anybody else who would like to speak on the amendment before we call the vote? Okay.

[Motion on amendment A1 lost]

THE DEPUTY CHAIRMAN: Does anybody else wish to speak further to the estimates before I call upon the hon. minister to close debate? The hon. minister to close debate.

MR. HANCOCK: Thank you, Mr. Chairman. I should have risen to speak to the amendment, I guess, but perhaps you'll allow me the indulgence. I was going to reply to some of the questions that were asked tonight, and I hope to get to a couple of them. We will table responses to the questions in due course. But I couldn't let the amendment go by, because the comments about the efficacy of the standing policy committees are really, really inaccurate and must be corrected on the record.

Standing policy committees provide a very, very important function in this government. For one thing, ministers such as myself have to take a business plan through the standing policy process for critical review and analysis in the drafting and formative stages before they're brought forward to the House, which is a very, very useful process, and have to take our annual reports through the standing policy committees on that basis as well. So those are very, very good opportunities for members of the standing policy committee to address issues.

Quite frankly, Mr. Chairman, it's unique, I think, in the parliamentary system where budgets go through an in-depth review process before the Treasurer is able to table them. That's, in effect, what the business plans are here. The budget is a compilation of all of the business plans of all of the departments, and the estimates are brought forward in those business plans. They're not just something that the Treasurer stands up and delivers in this House. They're something that goes through a significant process before they get to this House and a significant process which could only be done in the context of a standing policy committee made up of government members because of the traditions of the parliamentary process. Nonetheless it is a very effective scrutiny of those estimates, and a lot of work goes into those estimates before they actually get to the House. So a very important role.

The standing policy committees also play a very important role, Mr. Chairman, in terms of development of government policy prior to going through the process of bringing legislation to the House. Legislation doesn't just appear out of thin air. Legislation comes from policies which are scrutinized, developed, brought through the standing policy committee process to cabinet through caucus and then back through the legislative process. Again, most of our members participate vigorously in that process, and I know that I participate vigorously in that process in many areas not in my own department but in other departments of government where I have an interest as an MLA and want to get a hand in on what government policy is. So I couldn't let the comments about the standing policy

committee go by unchallenged. They're a very effective, innovative way for government to develop and deal with policy.

I do appreciate the comments from Edmonton-Centre on the effectiveness of the Department of Justice and the way in which it carries out its business and develops its plan. I appreciate those comments very much.

I'll start off by commenting on the question of performance measures that Edmonton-Mill Woods brought to the table and just would relate to him that we've had a fairly significant change in the department just over the past month, which is to separate out the Solicitor General functions. Many of the performance measures that he's looking for I believe he'll find in the Solicitor General's business plan. We have undertaken to develop more specific performance measures which relate to the Justice role. So I think that would deal with most of the questions.

With respect to the role of the provincial government in terms of the issues that he raised relative to Mill Woods, we're in an interesting position there. Policing and the cost of policing is a municipal issue, and the police response is on a municipal basis. But there is an opportunity for communities. I should really leave this to the Solicitor General to respond to, but the question was raised here, so I can take the opportunity. The Solicitor General has crime prevention grant programs which allow community organizations to come together to promote concepts which are good for their own communities. I really encourage that. I think the Dickinsfield project is an excellent example of what can happen when the community comes together, gets some seed funding where necessary from the Solicitor General's department, and comes together in terms of taking back ownership of their own community. So I just wanted to mention those two things.

10:30

I'll use the rest of my time, Mr. Chairman, to deal with the question of maintenance enforcement, because most of the questions that came forward today dealt with maintenance enforcement.

Perhaps before I get to maintenance enforcement, Edmonton-Centre raised a question about access to justice for women, probably a very important question, but I would suggest that she be much more specific on that. If she would be more specific about the types of issues that she thinks need to be addressed, we'd be able to provide some answers. I think that from a maintenance enforcement perspective there's clearly been a lot of work done in terms of making sure that access is there. The domestic violence court in Calgary is a good example.

All the rest of the good things I had to say will have to wait for another time.

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

HON. MEMBERS: Agreed.

Agreed to:	
Operating Expense and Capital Investment	\$193,659,000

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

HON. MEMBERS: Agreed.

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

MR. HANCOCK: Well, Mr. Chairman, in light of that, I move that the committee now rise and report progress and beg leave to sit again.

[Motion carried]

[Mr. Shariff in the chair]

MR. MARZ: Mr. Speaker, the Committee of Supply has had under consideration certain resolutions, reports as follows, and requests leave to sit again.

Resolved that a sum not exceeding the following be granted to Her Majesty for the fiscal year ending March 31, 2002, for the following departments.

Gaming: operating expense, \$217,363,000; lottery fund payments, \$1,015,949,000.

Justice: operating expense and capital investment, \$193,659,000.

Mr. Speaker, I wish to table copies of all amendments considered by the Committee of Supply on this date for the official records of the Assembly.

THE ACTING SPEAKER: Does the Assembly concur in the report?

HON. MEMBERS: Agreed.

THE ACTING SPEAKER: Opposed? So ordered.

[At 10:35 p.m. the Assembly adjourned to Tuesday at 1:30 p.m.]

