

Legislative Assembly of Alberta

Title: **Tuesday, March 31, 1992**

2:30 p.m.

Date: 92/03/31

[Mr. Speaker in the Chair]

[The sound system malfunctioned]

MR. SPEAKER: I'm sure the console operator could just kill the whole system. Thank you. I'm sure hon. members will be much more articulate and also much more quiet so that we can hear everything.

head:

Prayers

MR. SPEAKER: Let us pray.

O Lord, grant us a daily awareness of the precious gift of life which You have given us.

As Members of this Legislative Assembly we dedicate our lives anew to the service of both our province and our country.

Amen.

head:

Presenting Petitions

MR. SPEAKER: The Leader of the Opposition, followed by the Member for Drayton-Valley.

MR. MARTIN: Mr. Speaker, I'd like to present a petition from 864 people protesting the cuts to seniors' programs last year and calling for their reinstatement. This adds to the 45,000 presented last year along with 7,500 names seen by the minister responsible for seniors.

MR. SPEAKER: Drayton Valley.

MR. THURBER: Thank you, Mr. Speaker. On behalf of the seniors of Alberta I wish to present a petition containing 7,500 names of people who are concerned with the past changes to programs for seniors.

MR. TANNAS: I rise today to present 11 petitions signed by 219 professional teachers in Highwood urging the Legislature to accord favourable consideration to the Alberta Teachers' Association resolution on the Teachers' Retirement Fund. I believe that negotiations are now under way. Mr. Speaker, I've taken these petitions from Foothills composite, Percy Pegler, Big Rock, Ian McLaren, Okotoks junior high . . .

MR. SPEAKER: Thank you, hon. member. Now, the other day the Chair gave direction to consolidate to some degree, please.

The Member for Ponoka-Rimbey.

MR. JONSON: Mr. Speaker, on behalf of the hon. Attorney General I wish to table a petition signed by 225 teachers from the Camrose constituency. This petition is in support of resolution 226/91 cast at the recent ATA emergency representative assembly.

MR. SPEAKER: The Member for Innisfail.

MR. SEVERTSON: Thank you, Mr. Speaker. I beg leave to file a petition on behalf of 53 teachers from three schools in the constituency of Innisfail to obtain a solution to the pension fund.

Mr. Speaker, while I'm up, I'd also like to present a petition on behalf of the MLA for Chinook, who's a minister of the Crown,

from 47 professional staff in the constituency of Chinook on the same matter.

MR. SPEAKER: Calgary-Foothills.

MRS. BLACK: Thank you, Mr. Speaker. I beg leave to file petitions from teachers from four schools in the riding of Calgary-Foothills - Dalhousie elementary, Sir Winston Churchill, Brentwood elementary, and St. Dominic school - for an early resolution to the fund.

MR. SPEAKER: Red Deer-North.

MR. DAY: Thanks, Mr. Speaker. I'm delighted to present on behalf of teachers in nine schools in Red Deer-North a petition asking that their concerns about their retirement fund be addressed, and they're pleased that discussions are ongoing.

MR. DECORE: Mr. Speaker, I wish to file petitions from 18 schools: 16 from the constituency of Edmonton-Glengarry and two from Calgary and Lethbridge. The petitions come from Queen Elizabeth high school, 50 teachers having signed that one; Bishop Savaryn, 18 teachers; Lorelei school, 31 teachers; Glengarry school, 27 teachers . . .

MR. SPEAKER: No. Thank you, hon. member.

Again, direction was given the other day that we would consolidate and not go school by school by school.

MR. DECORE: Mr. Speaker, 422 teachers from my constituency and from Calgary and Lethbridge are asking the government to do something about the terrible problem with their pensions.

MRS. B. LAING: Mr. Speaker, given that the Minister of Education has advised the Assembly that discussions with the Alberta Teachers' Association regarding the Teachers' Retirement Fund are about to resume, I wish to present the following petitions on behalf of 58 teachers from five schools in the Calgary-Bow constituency and on behalf of my colleague the Minister of Labour a petition from 117 teachers from seven schools in the constituency of Calgary-West.

MR. SPEAKER: Thank you.

The Member for Smoky River.

MR. PASZKOWSKI: Thank you, Mr. Speaker. I am pleased to table a petition today on behalf of teachers in four schools in the Smoky-River constituency asking for a successful resolution to the Teachers' Retirement Fund. They also want to pass on that they are very pleased that the discussions are now progressing.

MR. BOGLE: Mr. Speaker, I am pleased to present petitions regarding the Teachers' Retirement Fund on behalf of 73 professional staff members from six schools in the Taber-Warner constituency.

MR. McFARLAND: In the hope that representatives of the Alberta Teachers' Association will work hard to complete discussions regarding the Teachers' Retirement Fund, I am presenting petitions today from two schools in the Little Bow constituency.

Mr. Speaker, while I'm up, on behalf of my colleague the hon. Member for Macleod I beg leave to present petitions from eight

schools in the Macleod constituency asking for a fair solution to the teachers' pension plan.

MR. DROBOT: Mr. Speaker, I would like to present petitions signed by 109 teachers from five schools in the St. Paul constituency: Heinsburg, Ashmont, St. Paul elementary, St. Paul junior, and Elk Point schools. The resolution is outlined in the petition.

head: **Tabling Returns and Reports**

MR. SPEAKER: The Minister of the Environment.

MR. KLEIN: Thank you, Mr. Speaker. It's a pleasure today to table the first report of the Alberta Round Table on Environment and Economy.

head: **Introduction of Special Guests**

MR. SPEAKER: The Minister of Culture and Multiculturalism.

MR. MAIN: Thank you, Mr. Speaker. I'll speak up seeing as how we are not blessed with the electronic system today. I have in the members' gallery nine people I would like to introduce from the U of A hospital. Ms Ruby Swanson is here with a group that includes Fred Abboúd, Rita Paglioso, Mr. K. Joo, Antoni Kziasek, Mrs. Hae Jung, Do Wha Kim, Heejeong Ha, and Irena Mikulski. I'd ask them to stand and receive a loud, enthusiastic welcome from the members of the Assembly.

2:40

MR. ORMAN: Mr. Speaker, I am pleased today to introduce to you and members of the Assembly seven visitors from the Dr. Egbert community school in the constituency of Calgary-Montrose. The students are joined by four individuals who are teachers and chaperons: Mr. Leong, Mr. Higgin, Mr. Russell, and Mr. Salahub. I'd ask them all to stand and be recognized by the Assembly.

MR. SPEAKER: Solicitor General.

DR. WEST: Yes, Mr. Speaker. I am pleased today to introduce to you and to members of the Legislative Assembly 19 grade 10 students from Central High Sedgewick public school from Sedgewick, Alberta, in the constituency of Vermilion-Viking. They are accompanied by their teacher Mr. Greg Martin, who has been tremendously supportive in bringing students to the Assembly to watch democracy in action. They're in the public gallery, and I would ask them to stand and receive the cordial welcome of this Assembly.

head: **Ministerial Statements**

National Forest Capital

MR. FJORBOTTEN: Mr. Speaker, I would like to take this opportunity to extend my congratulations to the city of Edmonton for being chosen as the national forest capital of Canada for 1994. This honour reflects the deep commitment shown by many citizens, volunteers, and community groups who have donated their time and effort to work with the city. Their demonstrated teamwork and leadership only proves that Edmonton is truly a great city that fosters a great sense of community spirit that will encourage a greater dialogue and understanding of forestry issues between all sectors of our society.

Throughout our rich history Alberta's forest resources have contributed significantly to the social and economic fabric of our communities across this province. As the Gateway to the North

Edmonton will continue to have an increasing role in the forestry sector as it harbours a significant portion of educational institutions, research facilities, and forest industry headquarters. Each year Edmonton also hosts thousands of tourists and outdoor enthusiasts who have come to Alberta to visit our spectacular forests.

As custodians of this natural resource my department remains committed to sound sustainable forest management principles that will continue to ensure that this forest resource will continue to flourish as a source of enjoyment, ecological diversity, and economic enrichment for many generations to come. Alberta Forestry, Lands and Wildlife has a tradition of supporting numerous educational programs that foster a greater awareness and appreciation of our forests. In this regard we welcome the opportunity to lend our support in making Edmonton a great 1994 national forest capital.

I encourage all Albertans to take part in the 1994 celebrations as this presents a unique opportunity for all levels of government, of industry, and the public to work together to achieve our common goal: the perpetuity of our most precious resource.

MR. MARTIN: Mr. Speaker, I certainly have no objection to Edmonton being chosen the national forest capital of Canada, but there has to be more. We're giving a third of our province to huge international pulp companies. To the minister: where's the value added for our forests, rather than just shipping out the raw pulp? Where's the long-term jobs for our native people?

In the release it says that

my department remains committed to sound sustainable forest management principles that will ensure this forest resource will continue to flourish.

Well, Mr. Speaker, I think there's a contradiction there, and I might point out to the hon. minister and the government that all across the world people are moving away from chlorine kraft bleaching. Just as we're moving into it, markets are going away. So where is the sustainable development? Where is recycling spoken of? Where is the value added?

So, Mr. Speaker, I look forward to this government or any future government, to future changes to make Edmonton prove that it's the forest capital of Canada.

head:

Oral Question Period

Senior Citizens Programs

MR. MARTIN: To the minister responsible for seniors. Mr. Speaker, this government is currently involved in last minute so-called consultations with seniors. I would suggest that the government has seldom listened to seniors before implementing the cuts that forced seniors to pay for their own eye examinations, and I'd remind the minister that this government forced them to pay up to \$500 for the oxygen they breathe. We don't have money for these needed programs for seniors, but we see that the government has money to duplicate a series of public consultations that were supposed to be done by the premier's advisory council on seniors. More duplication. My question for the minister responsible for seniors is this: will the minister now tell the Assembly why his department is wasting taxpayers' money on government-funded meetings when this should be the mandate of the premier's council on seniors?

MR. BRASSARD: Well, first, let me state, Mr. Speaker, that the "last-minute consultations" started last June, and we've had several consultations since then. It's an ongoing process. Part of that process of consulting with seniors is getting in touch with 24

agencies across this province representing somewhere in the vicinity of 60,000 seniors. So it's a very representative group. Part of that communication and consultation strategy is the involvement of the Premier's council for senior Albertans, and they're playing a very big role in that consultation process.

MR. MARTIN: Mr. Speaker, the reality is that it's a lot of extra money that we've spent if you go back to these programs. It's waste and mismanagement; that's what it is. The Premier's council held 44 meetings throughout the province, meeting with over a thousand seniors, and now we're going to go back and do it. My question to the minister is: isn't this latest exercise simply a PR exercise paid for by the taxpayers of Alberta while the government is getting ready for the next election?

MR. BRASSARD: Mr. Speaker, this is not a public relations exercise at all. The agencies that participate in this consultation are doing so on a voluntary basis and are paying their own way and are proud of their involvement. We've got a program that is going to involve all of the seniors of Alberta and those leading up to seniors – that is, 45 years of age and older – who are all coming together to talk about a great many subjects, such as the demographics that we're facing. We all recognize that within 25 years we're going to double the population of the seniors in this province, and our fastest growing segment of population in this province are those over 85, traditionally those who not only require more care but more intensive care. The health issue, the technology, the recreation and leisure, the housing, all of these issues are being discussed across this province in a meaningful way, and so far it has proven to be a very valuable exercise.

MR. MARTIN: That's not the message we're getting, Mr. Speaker. I'd say to the minister that over 53,000 petitioners have consulted with you and told you to reverse those cuts. Isn't it true that the seniors would like to see this wasted money going back to reverse the previous cuts rather than this traveling road show?

MR. BRASSARD: Quite the opposite, Mr. Speaker. One of the very clear messages that we got last spring was the need for consultation. We made a vow to undertake that process, and we have done so. I would have to say that for the most part, the agencies that I have met with and the seniors that I have talked to are very happy with what is going on in the consultation process. Rather than referring to the cuts that he refers to, I would remind the member that there was \$75 million put into the seniors' programs last year alone, and since that time there's been another \$3 million added just recently for two of the specific programs. So we're not backing off from any commitment towards the programs for seniors.

MR. MARTIN: Mr. Speaker, I'd like to designate my second question to the Member for Edmonton-Centre.

MR. SPEAKER: Edmonton-Centre.

Heavy Oil Upgrader

REV. ROBERTS: Thank you, Mr. Speaker. When the Alberta government joined into the agreement of 1988 to build the Husky upgrader, the cost of the construction was set at \$1.27 billion. Less than six months ago Husky came back again asking for additional money to pay for cost overruns and were given \$42 million by this government. Now they're back for the second time, asking for another \$40 million to \$50 million. I'm told that by the time the whole project is completed, it will be close to 30

percent over budget. To the Minister of Energy: since we of the New Democratic Party and the people of Alberta support the upgrading of heavy oil but do not support the lack of control and lack of accountability of this government, when will the minister take charge and responsibility and stop writing blank cheques on the people's bank?

2:50

MR. ORMAN: We already are, Mr. Speaker.

REV. ROBERTS: He tried before, Mr. Speaker, to say he took charge at the heritage trust fund committee last fall. The Minister of Energy to the committee said, "Make no mistake; we are watching very, very closely the costs of the project." to ensure that there will be no undue cost overruns and that this would be the end of the extra moneys. This is what he said last fall. Will the Minister of Energy now admit that he has made a big mistake by not keeping closer cost control over this project and tell Husky to go borrow the extra money themselves, not put a further strain on the public purse?

MR. ORMAN: Mr. Speaker, I just indicated in my first answer that we are watching very closely in terms of cost overruns of the Husky upgrader. I can confirm with the hon. member that the Husky upgrader about 85 percent complete. It's employed about 3,000 people, mostly in the northern Alberta area. Our share was close to 25 percent, and we are now in the middle of discussions with the operator, Husky, and with the province of Saskatchewan and the government of Canada in terms of cost overruns.

REV. ROBERTS: You'd better talk to a few more people, Mr. Speaker. Some of the people I've talked to, workers on the site, have said that important engineering is faulty and has had to be redone. I've heard from suppliers that contractors on the project are poorly organized and are in over their heads and that there will be further cost overruns as we finish the project. Will the Minister of Energy finally at least arrange with the federal government and the province of Saskatchewan to order an independent performance and accounting review of the contracts of this project to ensure that Husky won't have to come back yet a third time for more public funding?

MR. ORMAN: Mr. Speaker, because of the cost overruns associated with this project – and there generally are cost overruns in a project of this magnitude – we have taken two actions. In addition to the discussions I've had with the minister of energy for the province of Saskatchewan and the Minister of Energy, Mines and Resources for the government of Canada as well as the president of Husky Oil, we have established a joint venture review committee that will be bringing back precise cost overrun estimates. At the same time we have in the past dealt with the principle of Husky, and that is that cost overruns will be the last money in and the first money out. The hon. member can be sure that the cost overruns that have occurred to date will be the first dollars back to the joint venture participants from the originating capital from the project. So we are getting preferential treatment to the cost overrun dollars provided by the two levels of government.

Provincial Debt

MR. DECORE: Canadian Bond Rating Service has calculated that Alberta's debt is now \$17 billion. That's \$7.7 million per day since the hon. Member for Stettler became Premier of our

province. My question to the Premier is this: does the Premier consider a track record of \$17 billion to be a sound fiscal legacy for Albertans?

MR. GETTY: Mr. Speaker, I guess the hon. member would like an opinion in this case. Obviously this is a very strong province. The people have had a difficult time with the dramatic loss in natural resource revenues, but it's been handled in a measured and reasonable way. Spending has been reduced very responsibly, and we know that the future of this province, because of the people, because of our resources, and because of the determination of this government, is very strong.

MR. DECORE: Mr. Speaker, I think Albertans interpret the Premier of Alberta as having given up on dealing with the debt Albertans face. I'd like to know from the Premier what the specific plan is to pay down this \$17 billion worth of debt, mostly accrued since the Premier has been Premier of this province.

MR. GETTY: Mr. Speaker, as the hon. Member for Edmonton-Glenarry knows, the Provincial Treasurer will be dealing with the budget shortly. We do not even care to care to accept the hon. member's numbers; he has been very unreliable in this Legislature with his statements. So I think we should wait for the Treasurer's statement.

MR. DECORE: Mr. Speaker, it would seem that the head of cabinet and the head of our province should know something about what the debt of our province is. What is the debt, Mr. Premier? What is the debt?

MR. GETTY: Mr. Speaker, if the hon. member had listened to my reply to the second question, he would have the answer. I should also point out that the people of Alberta had a chance to comment on this just recently, and you know what happened in Little Bow.

Constitutional Reform

MR. DAY: Mr. Speaker, we're looking at the day where equality is the byword: equality of opportunity, equality of gender, equality of rights. This is certainly appropriate. In Alberta when we ask for equality of provinces in the Senate as an initiative to keep the country together, some people refer to us as being divisive or uncompromising. All of a sudden, equality isn't a nice thing to talk about anymore in some circles. Can the Premier indicate to us, in light of concerns that may be coming to his office: is he prepared to alter his stand on this particular issue?

MR. GETTY: Certainly not, Mr. Speaker, and I am extremely pleased that a very strong message was brought out about how serious the people of Alberta are and this government is about the whole matter of equality of provinces, no special status for any, and the importance of a triple E Senate. [interjection]

I understand, Mr. Speaker, the position of the Liberal Party. When we take a strong stand on something . . . [interjections]

MR. SPEAKER: Order.

MR. GETTY: They're not used to taking a strong stand on anything, Mr. Speaker. But this government is very serious, and that message was brought out very directly.

MR. DAY: A supplementary, Mr. Speaker. The Premier recently made a fairly strong statement about not signing a deal that didn't involve the triple E Senate, yet the first Bill tabled for this session

called for a referendum giving Albertans a chance to indicate what they want. Can the Premier reconcile those two situations?

MR. GETTY: I'm glad the hon. member raised that, Mr. Speaker. [interjections]

MR. SPEAKER: Excuse me, hon. members, as I asked before because the sound system being down, please, let's cut down the heckling so we can hear everything. Thank you.

MR. GETTY: As I was saying, Mr. Speaker, I did get an opportunity to speak to more than 2,000 Albertans on the weekend. It was an interesting function, and I was able to listen to people from all walks of life, all regions of this province and to talk about that very thing.

I think, Mr. Speaker, in answer to the hon. member, you can probably refer to my comments when I introduced Bill 1 to this Legislature on March 19. What I said then is that before any resolution to amend the Constitution of Canada can be passed by this Assembly, a referendum must be held and it will be binding upon this government to implement the results of that referendum. There's no doubt in my mind, Mr. Speaker, that the people whose Constitution it is will have the final say. Obviously, Mr. Speaker, by this legislation which the government is bringing in, that voice of the people will be binding on this government.

MR. SPEAKER: Calgary-Mountain View, followed by Westlock-Sturgeon.

Financial Reporting Practices

MR. HAWKESWORTH: Thank you, Mr. Speaker. Thousands of Albertans are in the process of completing or have just completed their income tax returns. There's an obligation on them as taxpayers to report to the government within four months of the end of the year or else they pay a penalty. Yet for this government it's been a full year to the day since they last closed their books, and they still haven't reported to the taxpayers how they've spent their money. So I'd like to ask the Premier, the leader of the most secretive government in Canada, how does he justify this double standard, and how does he justify the unconscionable delay of the release of the public accounts?

3:00

MR. GETTY: Mr. Speaker, the Provincial Treasurer has already dealt with the matter. I'll make sure it's brought to his attention that the hon. member has raised this, and I'm sure he'll respond.

MR. HAWKESWORTH: The problem is that he hasn't responded, Mr. Speaker, and the reason is that this government is afraid. They know that the public accounts will show how totally incompetent this government's management of Alberta's financial affairs is. Last year the Auditor General strongly criticized the government for hiding important financial information on companies owned by this government, such as Northern Steel, Softco, and MagCan, bailouts that have cost taxpayers millions. Will the Premier assure the Assembly that the financial statements on these companies will be included in the public accounts when they are finally released?

MR. GETTY: Well, again, Mr. Speaker, I'll draw the matter to the attention of the Provincial Treasurer and make sure he's aware of the hon. member's concern.

MR. SPEAKER: Westlock-Sturgeon.

Heavy Oil Upgrader

(continued)

MR. TAYLOR: Thank you, Mr. Speaker. My question is to the Minister of Energy. My concern is a little bit different from the socialist bunch here. Somehow or another we have to stop the rampant socialism that seems to be taking place here in this government. We now own a meat-packing, a steel plant, a cellular telephone company, a canola plant. What is the minister doing to make sure we don't end up with another white elephant in the Lloydminster upgrader?

MR. ORMAN: The hon. Member for Edmonton-Centre asked that question, Mr. Speaker, and I answered it for him. I'm sure the hon. member was listening.

MR. TAYLOR: Mr. Speaker, obviously he didn't hear. I thought I was the only one that didn't have the plugs working here. May I ask you again. You have spent one-third of a billion dollars of the money of the taxpayers of this province to put in an upgrader. Now it appears to be having overruns with partners that can't meet their side. What are you going to do? Put another third of a billion in?

MR. ORMAN: Mr. Speaker, unless the hon. member has some information I don't, the partners are able to meet their obligations under this very important energy investment. As I've indicated, it is an investment, there's a statement of principles, and there is a process for rate of return on investment. Again, as I indicated to the Member for Edmonton-Centre, the dollars on cost overruns have been treated as last dollars in are the first dollars out. That is preferential treatment for cost overruns, and in fact that is a preferred situation. So we have the process in place to deal with cost overruns.

I also indicated to the hon. Member for Edmonton-Centre, Mr. Speaker, that we have a joint venture cost review committee that is working to determine the precise amount of the cost overruns. They have been working with us. I have been working at a meeting with the minister of energy from Saskatchewan as well as the Hon. Jake Epp from Ottawa. We have the situation in hand, and we believe that we are dealing with it in the most appropriate way given the fact that this is an investment of the taxpayers' dollars to upgrade a very important resource in this province.

Water Management

MR. McFARLAND: Mr. Speaker, my question is to the Minister of the Environment. We've come through another winter with little measurable snowfall in the southern regions, and a good water supply in our constituency of Little Bow is on the line. Will the minister please comment on the critical factors which will be used in the operating year 1992 guidelines for the diversion of water into the Little Bow River?

MR. KLEIN: Well, Mr. Speaker, guidelines relative to diversion of water from the Highwood River to the Little Bow, as I explained yesterday, will be reviewed at a meeting in High River on April 9 with the objective of establishing diversion guidelines for 1992. Now, the guidelines to address the issues of dissolved oxygen, water temperature, and low flow conditions in the Highwood River: I'm not able to say at this particular point what those guidelines will be because, as I mentioned, that will be settled after the meeting in High River.

MR. McFARLAND: A supplementary question, Mr. Speaker, to the minister. You mentioned yesterday that a meeting will be held

of the stakeholder groups to review the 1992 guidelines. What assurance is the minister prepared to give to the constituents of Little Bow to protect the livestock, irrigation, and municipal users that are part of the towns and villages, the water co-op residents who rely on pipelined water?

MR. KLEIN: Well, certainly, Mr. Speaker, representatives from the Little Bow constituency and water users along the Little Bow will be invited to attend that particular meeting. We will be continually monitoring the need and demand for water as well as the flow and conditions of the Highwood River, and this information will be made available to all users of the water. What we will try to do is strike a balance that will ensure that the users of water from the Little Bow will be provided with their supply, and at the same time we will try to ensure that the quality of the water in the Highwood River doesn't become jeopardized.

I should add, Mr. Speaker, that the resolution to this problem is really to capture the spring flood, that massive amount of water that comes down every spring, and store it for use later in the season. That project is currently the subject of an environmental impact assessment and hearings before the Natural Resources Conservation Board, hopefully later this year.

MR. SPEAKER: Edmonton-Strathcona.

Bench Insurance Agencies Ltd.

MR. CHIVERS: Thank you, Mr. Speaker. My question is to the Minister of Consumer and Corporate Affairs. Under section 3 of the Insurance Act, the superintendent of insurance has the responsibility to supervise the insurance industry, to ensure that the laws concerning insurance in the province of Alberta are enforced and obeyed, and to report to the minister on all matters connected with insurance. In pursuance of that power, he has the ability to summons witnesses, enforce their testimony and giving of evidence. Will the minister, pursuant to his powers to instruct the superintendent of insurance under section 3 of the Act, instruct the superintendent to conduct an investigation of the Bench Insurance scandal and to make a full report to this Assembly?

MR. ANDERSON: Mr. Speaker, with respect to the Bench Insurance circumstance, the superintendent of insurance has been instructed to take all action. He's involved in the situation with the Alberta Insurance Council and is proceeding with the investigation of all matters that are within our jurisdiction. In addition, we are liaising with the RCMP, who have the files and who are investigating the matter from a criminal perspective.

MR. CHIVERS: Mr. Speaker, Albertans are entitled to know what went wrong. Under section 21 of the Act the legislation permits the creation of a compensation fund for victims of insolvent insurers but makes no provision for victims of unscrupulous agents nor does it compel the establishment of such a fund. Will the minister immediately undertake to this Assembly to amend the legislation to compel the creation of funds both for insolvent insurance companies and unscrupulous agents?

MR. ANDERSON: Mr. Speaker, that's a reasonable recommendation from the hon. member following on his leader's suggestion yesterday. What we are still investigating is the degree to which individual agents are themselves insured. According to the Act, those individual agents have responsibility for the insurance policies that they've sold and, if found guilty of negligence, can be approached legally by those who have lost dollars. We will be

monitoring the situation to make sure that current regulations in that regard do in fact cover the circumstance. If this circumstance where there would seem to be illegal activity which the RCMP, as I mentioned, are involved with proves to indicate the need for changes to the Insurance Act, we'll bring that forward.

3:10

MR. SPEAKER: Edmonton-Mill Woods, followed by Calgary-North West.

Workers' Compensation Board

MR. GIBEAULT: Mr. Speaker, my questions today are to the minister responsible for the Workers' Compensation Board. Of the thousands of workers who are injured in this province every year, many of them find themselves abused and victimized by the insensitivity of the Workers' Compensation Board. Last year the Ombudsman found that the actions of the WCB were the main reasons for the suicide of an injured worker in Calgary. Today members of the Central Alberta Injured Workers' Association are protesting in Red Deer about the indignities that are inflicted upon its members by the WCB and the fact that little has changed since the Ombudsman's report came out. What changes will the minister make respecting standards and monitoring the way the WCB treats its clients so that we can eliminate this all-too-common experience of injured workers being abused and victimized by the WCB?

MR. TRYNCHY: Mr. Speaker, from the speech I just heard, the only question I got was: could I direct the WCB to stop improving service to injured workers? The answer to that is: definitely not. I know from their comments that the NDP are not interested in the treatment of workers. We will continue to strive and do the kind of programs we have to do to provide better service to the injured workers.

MR. GIBEAULT: Maybe you ought to meet with the workers once in awhile and find out what they're talking about.

Let me ask a supplementary, then, Mr. Speaker. To the minister: given the frightening potential of proposed changes to the WCB that would arbitrarily deem a worker capable of earning a certain amount even though there might not actually be any jobs available for that worker, will the minister give an assurance today to the people of Alberta, particularly the workers of Alberta, that any proposed transition to the wage loss system will not, repeat not, include any arbitrary deeming provisions? Will he give that assurance today?

MR. TRYNCHY: Mr. Speaker, if the hon. member would just take a look at the workings of the Workers' Compensation Board and follow the directors of the Workers' Compensation Board throughout the province when they're meeting with workers, with employers in Edmonton, Calgary, Lethbridge, Medicine Hat, Lloydminster, Red Deer, Grande Prairie, Fort McMurray, Peace River, Hinton, and back to Edmonton and Calgary again, I'm sure he'd want to provide a message to the compensation board. He should do so. I would encourage him and all the workers to do the same thing.

MR. SPEAKER: Calgary-North West.

Crowsnest Learning Centre

MR. BRUSEKER: Thank you, Mr. Speaker. My question today is to the minister responsible for tourism. The Crowsnest Learning

Centre is hoping to get into the hotel industry by offering rooms and meals to tourists. My question is simply this: why is the government once again distorting the marketplace by supporting one enterprise at the expense of others?

MR. SPARROW: Mr. Speaker, if the member opposite has some information on the project that I don't have at the ready right now . . . I know that there's a lot of activity throughout Alberta in tourism, and there are thousands of projects throughout the province that have been generated through the community tourism action program. I know that TIAALTA and the municipalities are working well together. There are some 750 projects that I know they've been working on. I haven't got any specific details on this one. I'd be glad to get them for the hon. member if he'd give me some details.

MR. BRUSEKER: Mr. Speaker, they received \$40,000 when other operators are losing jobs, they're losing bookings, they're losing meals, and they're losing tourism business. The bottom line is and my concern is simply this: is this going to be another Gainers, where we put money in to create one job in one spot and lose a few more somewhere else?

MR. SPARROW: Mr. Speaker, it's been an interesting process. I just came from the Tourist Industry Association annual meeting. I know the hon. member for Calgary-North West was there. One of the main things he urged me to do and urged all my colleagues to do is renew the community tourism action program. I'm glad to see what his comments are on the issue and would like to have your recommendation as to whether or not the program should be renewed.

MR. SPEAKER: Lesser Slave Lake, followed by Edmonton-Calder.

Gasoline Pricing

MS CALAHASEN: Thank you, Mr. Speaker. Rural consumers are experiencing higher prices on gasoline than most urban areas. As an example, it doesn't seem to matter whether or not the oil companies are located in Edmonton or in High Prairie; there is a differential, sometimes as high as 5 cents a litre at these outlets. The decision on these prices is not in the hands of the outlets. Would the Minister of Consumer and Corporate Affairs indicate why there are such discrepancies throughout the province?

MR. ANDERSON: Mr. Speaker, with respect to gasoline prices the government of Alberta does not regulate those prices; they operate in accordance with the market. However, during the Gulf war crisis we became concerned with the fluctuation in gas prices as well as with the differences between one part of the province and another and established the Gasoline Consumers' Information Committee, consisting of members of the Consumers' Association, the Alberta Motor Association, and the petroleum resources organization. That group puts out a report on a regular basis and has indicated as of their last report, March 9, that there was a slight decline in prices in Alberta overall, 3.3 cents.

In addition, that committee has indicated that the differential between prices in Edmonton, for example, and prices in northern Alberta depends a great deal on the cost of transportation between the various areas and the particular market circumstances in each. Calgary and Edmonton have been experiencing very competitive gas wars in the last while in various periods, and their prices have remained generally lower than others. Nonetheless, the prices

differ, as I indicated previously, and are largely as a result of transportation and market forces.

MS CALAHASEN: Sometimes these outlets are a few miles apart and still have a differential in prices, as in High Prairie and Slave Lake, and I think that has to be taken into consideration.

The second question is this: the community and individuals in High Prairie have written to the minister regarding this issue, and I would like to know what action is being taken or will be taken to address this issue.

MR. ANDERSON: Mr. Speaker, last year when it was brought to our attention that prices were very significantly different in parts of the province than they were in others and on the surface of it we could not explain those differences by way of transportation cost, we asked the federal government to investigate under their Competition Act the prices in the province to ensure that there was not price fixing or any other wrongdoing in the marketplace. They concluded in that study, according to the federal minister's response to me, that there was no wrongdoing but rather that market circumstances in different areas were the prime determining factor. Nonetheless, the federal minister has asked me to keep them informed of any information that suggests that there may be some other reason for pricing that might not be appropriate. I would ask the hon. member or any other hon. member to forward information that might point to anything other than market circumstances. At this point in time, from the federal sources who are responsible for monitoring the competition area, that is what we believe to be the case.

Disabled Children's Support

MS MJOLSNESS: Mr. Speaker, the Calgary board of education is cutting back on occupational therapists and physiotherapists. Although the cuts are less than originally expected, the board has served notice that next year more positions will have to be cut. Given that the parents of children with disabilities in this province are constantly struggling with this government for services for their children, I would like to ask the Minister of Family and Social Services, who is responsible for the well-being of children in this province: will the minister show some leadership and give assurance to these children that their needs will be met regardless of the decision made by the Calgary board at this time?

MR. OLDRING: Mr. Speaker, the Minister of Family and Social Services along with this government will continue to show leadership. As I pointed out to the member opposite earlier in this session, we are going through the process of consulting with parents as it relates to our handicapped children's services program. We're going to continue that process, Mr. Speaker, and I know that the Minister of Education and the Minister of Health along with myself and my government colleagues are all anxious to see what parents have to say as it relates to these supports. They'll be working very closely with me to make sure that we can respond to the needs that are addressed through that process.

3:20

MS MJOLSNESS: Mr. Speaker, you're consulting all right, but at the same time you're cutting services. There's no doubt that in this province there's an urgent need for some co-ordination between the parties. Given that the single point of entry for services is long overdue so that parents can have access to up to 25 different government programs, will this minister agree today to immediately implement recommendation 8.1 of the Premier's

council Action Plan by establishing a community supports unit for people with disabilities?

MR. OLDRING: Mr. Speaker, first of all, let me correct the suggestion the member made that we are cutting services. Again I remind the member opposite that we increased our budget on our handicapped children's services by almost 20 percent last year alone - very committed to the needs in this particular area. What I will commit to is to continue to work very closely with my colleagues to make sure that we can deliver the programs that are required and needed, on a consistent, fair, balanced, and reasonable basis. We're working very closely together to be able to do that, and we're going to continue that.

MR. SPEAKER: Edmonton-Whitemud, followed by Highwood.

Consumer Credit Information

MR. WICKMAN: Thank you, Mr. Speaker. My question is to the minister responsible for consumer affairs. At the present time there is no legislation that governs the activities of credit reporting agencies. Will the minister review the possibility of legislation to ensure that individuals have access to any files that credit reporting agencies may have on their behalf?

MR. ANDERSON: I'm sorry, Mr. Speaker. Given the sound system, I didn't catch the first part of the question. Would the member mind repeating that?

MR. SPEAKER: Hon. Member for Edmonton-Whitemud, rephrase the whole question.

MR. WICKMAN: Mr. Speaker, at the present time there is no legislation that governs the activities of credit reporting agencies. Will the minister consider legislation that would ensure the right of access to the information that credit reporting agencies have in their files on individuals?

MR. ANDERSON: Thank you, Mr. Speaker, and my thanks to the member for repeating the question.

The problem of information into any set of files is a fairly complex matter, but we are considering that issue in light of a look at overall consumer legislation. That will take us some time, but we are looking at trying to make all of the Acts consistent and dealing with the marketplace in a coherent way. We've gone through the preliminary stages in that respect but are continuing to consult with those who might be affected on the possibility of an overall Act in that area.

MR. WICKMAN: Mr. Speaker, is the minister prepared to table in this House recommendations pertaining to credit reporting agencies prior to the end of this session?

MR. ANDERSON: Mr. Speaker, I certainly will consider the representation from the hon. member. We're proceeding as fast as practical on that overall issue. Whether or not we can complete that before the end of this particular sitting, the member will have to wait and see.

MR. SPEAKER: Highwood, followed by Edmonton-Beverly.

Community Facility Enhancement Program

MR. TANNAS: Thank you, Mr. Speaker. From January 1, 1989, to December 31, 1991, Alberta communities benefited from

a lottery-funded program called the community facility enhancement program. This program matched community money raised by volunteers to repair swimming pools, build playgrounds, restore community halls, and the like. My question, then, is to the minister responsible for lotteries. Will this minister commit to restoring this program so that Alberta's communities may be better facilitated?

MR. KOWALSKI: Mr. Speaker, during the life of this current session my hope is to file a report in the Assembly pointing out the some 3,000 projects that have been sponsored under the community facility enhancement program. With respect to the latter part of the question, that matter is still under review.

MR. SPEAKER: Supplementary.

MR. TANNAS: Yes, Mr. Speaker. I'd like to ask the minister responsible for lotteries whether or not he filed a report on the program that ended this December 31.

MR. KOWALSKI: Perhaps, Mr. Speaker, because of the acoustics the hon. member didn't really get the gist of the first part of the answer. It is my intent during the life of this session to file with the members of the Assembly a complete list of all projects that were assisted under the community facility enhancement program. It will be a list of some 3,000-plus, ballpark, in the province of Alberta, as I've indicated, and the very nature and the types of programs as well.

MR. SPEAKER: Edmonton-Beverly, followed by Calgary-McKnight if there is time.

Landlord and Tenant Policy

MR. EWASIUK: Thank you, Mr. Speaker. Tenants in Alberta have been waiting for years for greater protection from this government. Even though this Assembly passed a new residential tenancy Act last session, it's not been proclaimed, and tenants are still waiting. The Minister of Consumer and Corporate Affairs has said that the department is still working on the regulations in spite of the fact that this Assembly discussed those regulations last year. My question is this: will the minister agree that tough economic times bring the need for better protection and, therefore, proclaim the Act and regulations immediately?

MR. ANDERSON: Mr. Speaker, when the Assembly passed the Landlord and Tenant Act last year, I indicated that we would take considerable time consulting with tenants and landlords throughout the province before putting the regulations in place, which are very extensive given the broad parameters that we put into the Act. We are nearing the end of that consultation and are in the midst of drafting those regulations. If the member will refer to the Speech from the Throne, it indicated that we would be proclaiming that Act this year, and that is to be the case.

MR. EWASIUK: Mr. Speaker, if the minister was so concerned about tenants, he would at least bring this process back into the open instead of drafting the regulations behind closed doors. Will the minister at least agree to table in this Assembly the progress made on these regulations so that tenants and landlords can in fact make written comments?

MR. ANDERSON: Mr. Speaker, we have taken proposals from Albertans from all walks of life and are now in the midst of

drafting those in regulation form. I'm happy to commit to the member that we will table the regulations once those are completed and are available.

MR. SPEAKER: Calgary-McKnight.

Alberta College of Art

MRS. GAGNON: Thank you, Mr. Speaker. The Alberta College of Art in Calgary has a four-year certificate which is recognized by many North American university graduate programs as equivalent to a university degree. To the Minister of Advanced Education: why does the minister not recognize the unique situation at the Alberta College of Art in Calgary and allow that institution to grant degrees?

MR. GOGO: Mr. Speaker, I haven't been asked.

MRS. GAGNON: I'm sorry; I haven't heard . . .

MR. GOGO: It's unusual, Mr. Speaker, that I repeat an answer, but I repeat: I have not been asked.

MRS. GAGNON: Mr. Speaker, yesterday in Calgary the indication from the minister was that the decision awaited a cabinet meeting. I'd like the minister to clarify the previous answer that he hadn't been asked.

MR. GOGO: Mr. Speaker, I'm somewhat confused by the hon. member's question. The matter discussed yesterday was the whole question of degree granting for colleges or additional degree granting for institutions. I do not recall any specific question put to me in public as regards a request to me for degree granting for the Alberta College of Art. I would certainly have remembered if I'd received an application from the board of governors of the ACA, and I simply say at this time that if and when I'm presented with a request, I will certainly give it serious consideration and perhaps raise it with hon. members.

MR. SPEAKER: The time for question period has expired. The Chair thanks all hon. members for your co-operation with the sound system going down. It also meant, of course, that the television cameras were shut off as well.

The Member for Taber-Warner, with respect to an introduction, I understand.

Introduction of Special Guests *(reversion)*

MR. BOGLE: Thank you, Mr. Speaker. On behalf of the hon. Member for Cypress-Redcliff I'm pleased to introduce Mr. and Mrs. Leonard Mitzel who are in our gallery today. Mr. and Mrs. Mitzel are the managers of the Etzikom museum in southeastern Alberta. They were in the city today meeting with our minister of tourism, Don Sparrow, to discuss the exciting things happening at the museum. The museum was started in 1988, it was officially opened in 1990, and it continues to grow and thrive. Would hon. members join with me in giving a warm welcome to our guests.

Orders of the Day

MR. SPEAKER: Hon. members, I have achieved unanimous consent from the House leaders that we will stand adjourned for 15 minutes. To be on the safe side, we will reconvene at 10 minutes to 4 to allow Public Works, Supply and Services to get the sound system back up.

[The Assembly adjourned from 3:32 p.m. to 3:50 p.m.]

MR. SPEAKER: Thank you, hon. members. We're all aware of the fact that a new sound system has been put in place. I very much appreciate all the help of Public Works, Supply and Services together with *Hansard*, because it's an interesting challenge to try to break in a new system. We were assured there was going to be a 99 percent chance that nothing would ever happen. Obviously, that lets you know about statistics.

We will not add 15 or 20 minutes to the end of the day, after consultation and the agreement of all three political parties in the House, so the House will indeed have its normal adjournment hour at 5:30.

Thank you, hon. members.

head: **Written Questions**

MR. GOGO: Mr. Speaker, I move that the written questions on today's Order Paper stand and retain their places.

[Motion carried]

head: **Motions for Returns**

MR. GOGO: Mr. Speaker, I would also move that the motions for returns on today's Order Paper stand and retain their places.

[Motion carried]

head: **Motions Other than Government Motions**

Education Funding

203. Moved by Mr. Schumacher:

Be it resolved that the Legislative Assembly of Alberta urge the government to ensure that all students across the province have equity in educational opportunities by making adjustments to the current equity funding plan and to the distance learning program.

MR. SPEAKER: The Member for Drumheller.

MR. SCHUMACHER: Thank you, Mr. Speaker. It is with a sense of urgency that I rise to propose Motion 203, because it is true that today in Alberta equity in education does not exist and a solution must be found soon before damage from this inequity results. Deciding how fiscal equity can be resolved in the current context is the issue for debate raised by Motion 203. After more than almost two years we have not successfully resolved the key point of Motion 203. This key point is that inequities in funding do in fact exist.

[Mr. Jonson in the Chair]

In my estimation the quality and scope of education that students are receiving in our province today depends less and less on their abilities and needs and more and more on the wealth of the community in which they happen to live. Students who live in communities with a large industrial tax base have more funds available for their education than students who live in communities whose tax base is mostly made up of individual property taxes; that is, taxes flowing from residential assessment.

Mr. Speaker, all school boards agree that there is a serious problem and that action must be taken. I don't think there's the same agreement in what the action should be, but there certainly is a recognition all across this province that there are problems.

This is why I am proposing this motion today with a sense of urgency. I'm hoping that a better understanding of this problem will develop as a result of the airing of this resolution.

Mr. Speaker, the bottom line is the problem of fairness. It is my opinion and the opinion of many people in the Drumheller constituency that students in this province do not have an equal access to similar revenues for their education. As a result, many school boards are handcuffed in their efforts to provide students with a level of education that is equivalent to other students' in the province. The fact is that the School Act of 1988 guarantees that all students in Alberta have a right to access education suited to their needs and abilities.

The problem is that school jurisdictions across the province do not have a similar access to the funding needed to provide equitable educational opportunities to all students. Over the years the situation has not improved but has deteriorated. For example, in 1985 the school jurisdiction with the lowest expenditure was \$3,000 per student for their education. The highest per student expenditure by a school jurisdiction in that same year was \$13,000. This represents a difference of \$10,000 per student. The shocking news is that in 1990, a mere five years later, even though the lowest expenditures for students had increased to \$3,500, the highest expenditure had jumped to an amazing \$20,000. A quick mathematical calculation shows that in five years the difference between the lowest and highest expenditure per student in this province jumped from \$10,000 to \$16,500. That results in a difference of 65 percent between the highest and the lowest.

The explanation of the inequities across our provinces lies in the wide disparity between nonresidential and residential property assessment among school jurisdictions. The major factor is nonresidential assessment. This is compounded by the fact that school boards rely on local taxation for about 40 percent of their revenue. As most of the members of this Assembly are aware, the range in residential and nonresidential assessments among operating school jurisdictions is dramatic. The assessment per student ranges from less than \$54,000 to more than \$2,500,000. This means that one mill of tax effort can raise \$54 per student in one constituency, while another constituency can raise as high as \$2,500 per student. Mr. Speaker, that is a terrible inequity.

My research tells me that the government has spent over \$90 million from general revenues to help bring less wealthy school boards up to the provincial average. As new major economic developments come on stream and drive up the provincial average in assessment, the demand on the General Revenue Fund for equity funds will grow each year. So in this circumstance, Mr. Speaker, something has to be done and has to be done now in order to stop the increasing level of inequity in funding between our provincial school jurisdictions. If no changes are made, the difference in money available to varying school boards will widen and an increasing number of school boards will not be able to provide their students with a basic education.

Mr. Speaker, on behalf of the constituents of Drumheller, I would like to recommend that the government act right now on a plan that would combine all of the nonresidential school taxes paid by businesses and industry across the province into a single equity trust fund. This would not change how school boards would requisition money to operate their schools. They would still have full access to their residential tax base. However, instead of having access to funds from the businesses and industry in their community only, schools would have equitable access to the entire nonresidential tax base for the whole province.

In that connection, Mr. Speaker, I think we all have to recognize that a large amount of funds collected from every single resident of this province has been used by the government of this province

as approved by decisions made in this Assembly to establish industry and business in certain locations. That means that a lot of people from my constituency have contributed money, as have people from your constituency, to, say, the construction of the Syncrude oil sands plant in Fort McMurray. We can think of any number of things like that where general taxpayers' moneys have resulted in large industrial operations in specific parts of our province. Therefore, Mr. Speaker, I suggest that it is only fair and equitable that the people who have provided the funds to make that assessment base possible should have access to it in the education of their children so that their children can have the opportunities to participate in the business and industry that have been created.

4:00

Under this plan school boards would requisition money from the education trust fund based upon the number of students served and their local residential tax base. Mr. Speaker, I am confident that this system would be a more fair way of funding all schools in this province. I therefore am urging the government to accept the direction of this motion today and act immediately to reduce the existing inequity that we have in our province.

Mr. Speaker, I believe there are several advantages to making a fairer educational playing field in the province. I believe that every party involved – the students, the school boards, the parents, and the government – can all benefit from acting on this inequity. First, school boards would benefit because they would have a solid and dependable source of revenue for the future. It means they would likely continue to have the same responsibilities and autonomy in making decisions about how best to meet the needs of their students. Second, parents and students would benefit by receiving quality education programs right across the province. It means the wealth of the communities in which parents and students live will not determine the quality and scope of educational opportunities received. Third, the government would benefit because it would receive a long-term solution to the problem of fiscal inequities among school jurisdictions without placing a further burden upon the General Revenue Fund.

I believe acceptance of Motion 203 would reflect the importance of education to Albertans and to government and a recognition that fiscal inequities cannot be a barrier to quality education for students. It has been shown that amending the way in which school boards receive money would definitely reduce the amount of inequity between schools. As I have shown earlier, the highest rate of money spent by a school board per student is 50 times greater than the money spent by the school board with the lowest per student spending rate. Mr. Speaker, by establishing an education trust fund, we can substantially reduce this inequity. I am confident that we can reduce the difference from 50 times to a difference of, say, not more than five times. This would be a tremendous improvement over the situation that currently exists.

Mr. Speaker, it is my understanding that the Minister of Education for our province is in favour of reducing the inequity between our educational institutions in Alberta. By establishing an education trust fund I am confident that we will have the greatest success in making education more equitable to all Albertans. Most of my constituents – and I have to say “most” because not all – support the thrust of the argument I've been making in support of Motion 203. I know there are many Albertans not in my constituency who also support the direction proposed by this motion.

I would ask all members of the Assembly to think seriously about the best way in which to solve the inequities that do exist in the funding of education in our province, and I look forward hopefully to receiving their support in respect of this motion.

Thank you.

MR. ACTING DEPUTY SPEAKER: The Member for Stony Plain.

MR. WOLOSHTYN: Thank you very much, Mr. Speaker. I must admit that I do concur with the Member for Drumheller that we do have an urgent situation with education funding in Alberta. I do agree with his point that equity does not exist. However, I'm not so sure that equity and opportunity are going to come about just because the funding formula is changed, and I will address that a little later. I don't think the hon. member really meant to imply that education is directly related to the wealth of the communities in which it's delivered, because I think the hon. member has been around enough to know that he can find some very good delivery of programs in communities that may not be all that wealthy.

His particular solution is an old one: corporate pooling. It's actually not a very good solution because it's not very well thought out, and I'd like to point out some of the so-called facts that are used to support it and where they come from. I've heard the statement, although not as low as \$3,500 up to \$20,000. I don't know which jurisdiction has the \$3,500 delivery costs per student, but the \$20,000 per student jurisdiction happens to be Berry Creek school division 1. That particular school division is very, very sparsely populated. It does send some of its students out; it does have to operate very inefficient buses. Now, these buses would be operated just as inefficiently regardless of any change in funding formula.

At a town called Cessford, where their schools are located, the hon. member, when he detours a tad from Drumheller, will find a little hamlet with a few homes and a school and the school maintenance shed, I guess, and usually a dozen or so buses parked in the evening. If he made some inquiries, he would find that the cost of maintaining that town, the cost of installing a water system, all were borne not by the municipality involved but were borne and are maintained by the school division. It is maintained on that basis simply because if the school division wants to retain their children at home, wants to keep the families located where they are, they then have to provide places for the teachers to live because the nearest desirable community, if you will, is just too far. I guess teachers these days don't care to draw water and pack wood, so a few extras are done. That has to reflect on the costs. To imply in some way that something is wrong that they are spending those kinds of dollars just indicates the naiveté that we've had to put up with for years with respect to the approach to funding of education. In this particular instance, I would submit, Mr. Speaker, the portion funded by Alberta Education is somewhere in the neighbourhood of 40 percent or less, so this particular jurisdiction has taken on more than its fair share.

4:10

The assessment per student very frequently is a misleading way to do it. You have to look at the area, what's involved, the number of students, whether in fact that jurisdiction even has any schools. But I must stress that I am not opposed to having equity in funding of education; definitely not. What I am opposed to is this corporate pooling, recently renamed equity trust fund. It is that this particular solution to the problem is really unfair. If the hon. member pursues his research and follows through on how the document – unless it's been changed, which I don't believe it has, he will find that the only way for that document to take residential taxes is onwards and upwards on a continuing basis. The ultimate result would be that an even larger disproportionate share of funding would fall on the local taxpayer. I don't think that is what the member wants. So what I'm saying to him is: although

I support the intent of the motion to try and improve funding distribution, I don't think it's the way he really wants to go.

I also should point out to the hon. member that since the education trust fund concept was introduced, there has been a continuing shift away from support of that particular concept by boards that seemingly would appear on the surface to benefit. Yes, in fact, many small boards would benefit from that program in the very short term, and I stress "in the very short term," after which, as their desire to access money grew – the member would know that the accessing of funds was never based on need; it was based on the ability to tax, which would mean that the higher your mill rate, the more money you could draw off the fund whether or not you needed it – the end result would be higher degrees of support by the local jurisdiction and a greater, and I stress "greater," inequity than we have now between the so-called have and have-not boards would develop. I think the boards that are currently switching over to the other side are starting, if you will, to see the light and become quite aware of what in fact would happen if they went with this.

The other thing that I should point out: there is a group that has come out not in opposition to the education trust concept necessarily but rather a group that has been trying very desperately to come up with a different position that would retain the autonomy for the school boards, would address the inequity in the funding, would address the inequity of taxation of some of these so-called industrial sources of funds. The hon. member I'm sure is aware that along with the different levels of assessment, there have been different levels of taxes imposed, and some of the industrial ends of it, some of these industrial players, if you will, have not been paying their fair share of taxes towards education. One of the proposals in general terms of the Education Trust Equity Council comes from option one of the former ASTA, now the Alberta School Boards Association, which was to equalize the amount of taxation. We'd put all the taxation on a fair basis and then from there look at distributing these extra funds, if you will, to the boards who in fact have the need for them. If they've had other options which I'm sure they've been taking to the minister, I would sincerely hope that the minister has been paying some degree of attention to this.

I would also like to point out that if one were to go on this particular concept, even if it were approved tomorrow and even if it were wanted to apply tomorrow, it would be virtually impossible to implement simply because we'd have to have something called an assessment that is current, an assessment that is, quite frankly, annual, one that all the municipalities are tagged into, and one where all the assessments which have perhaps been missed – and some of them they claim have been missed – would have been addressed by now.

Mr. Speaker, I would like to point out that this revelation of inequity in funding is nothing new. Back in September of 1989 there was a task force made up of representatives from the departments of Education, Municipal Affairs, and Economic Development and Trade of this government that spent a considerable amount of time and had some interesting observations to make. The task force was established basically in response to some industries that felt that the current property assessment taxation they had at the time, which is still around, was in fact, to put it bluntly, unfair. What they were after was to eliminate something called a machinery and equipment tax. Some of the observations or recommendations that this particular task force had – and again I must stress that the authors of the report come from the very government that is currently in power. I think it should be pointed out that some of the recommendations are long overdue in being implemented or even being recognized by the current government. For example, one recommendation reads as follows:

Because education is a provincial responsibility, and I stress "provincial responsibility," the provincial government with its broader tax base, should fully fund the prescribed program of studies deemed to be both necessary and sufficient for students in today's society. Local jurisdictions should be responsible for funding only locally determined educational enhancements.

That would be a truly supplementary requisition. You know, Mr. Speaker, what's happened in the past few years. The concept of supplementary requisition has been twisted to the point where now supplementary requisition makes up for, if you would, on the average around 45 to 50 percent of the cost of education in most jurisdictions.

They further indicate:

It is recommended that a Boundaries Commission be established to review the current boundaries for educational jurisdictions. There are approximately 150 operating school jurisdictions in Alberta, many of which are both administratively, fiscally, and educationally inefficient. As school boards . . . educational costs [rise,] the disparity between those jurisdictions with a high assessment and those with a low assessment increases. There is now a growing realization that if we are to achieve a semblance of fiscal equity, something must be done about structural equity.

Well, Mr. Speaker, the response of this government in the past three years to this very serious problem, which was pointed out to them three years ago by their own forces, has been to permit an increase in tax-collecting nonoperating jurisdictions, as well as a likely increase of operating jurisdictions; as a matter of fact, definitely an increase in the number of operating jurisdictions. So they have a report that gives them a direction, a very sensible direction: review it. They choose to totally ignore it.

Another position that was being touted was again to do with reducing the number of school jurisdictions and also to establish a permanent forum for representatives of industry, local governments, parents, post-secondary institutions, and other user groups to establish the standards and expectations of schools and to determine the degree to which the standards and expectations are being met.

Mr. Speaker, this is not being done. All that has happened in this area has been to create a vision which is more frequently and more accurately at times defined as a hallucination which only has tended to disrupt and pit various agencies in the education system against one another. There hasn't been any consultation to speak of. There hasn't been very much of anything other than a bit of paper printed out by Alberta Education.

It also goes on to say:

The Province should provide a level of financial support congruent with an established mandate of schools and sufficient to ensure the international competitiveness of school graduates.

Again, 1989 Alberta observations. It's 1992, and we're running around in circles yet; we haven't even set the focus.

It concludes on a good, positive note by saying:

Every student in Alberta should have equitable access to educational services and programs,

and this is where the member from Drumheller and I are totally in total agreement.

There is another recommendation to do with the boundaries. I won't go into that in detail, but it also goes: after reviewing them, make sure that we are moving towards fiscal equity.

4:20

The direction of the motion, again I stress, is a good direction, but what I think we're needing more now than this sudden reaction in putting in an equity trust fund is a little bit more listening to what is happening in the schools due to changes that are being brought out by directions of the School Act and court orders and whatnot. The government has not shown leadership as I think they

should have, has not identified the real problems, and is basically running around avoiding its responsibilities.

I'll paraphrase these; I can't quote them directly. The Minister of Education responded to a question posed in this House during this session with a comment that the school boards had an insatiable appetite. Well, that is a comment that doesn't exactly win friends and influence people, nor does it help solve the situation. The minister should be looking at what the problems are, the minister should be looking at what is being expected of the schools, and definitely he should be sitting down with the various interest groups and working out a solution. I am confident that if the minister or ministers in the government choose to listen rather than push, shove, impose, criticize, condemn, we could find, first of all, an interim solution for the boards that are in very desperate straits – and that is an urgent one; that is an immediate need – but what is more important, we should be able to come up with a position that will equalize or help equalize, if you will, the opportunities of accessing programs for a long-term future.

I was referring to listening, and I'll read a couple of paragraphs out of a letter that I received from a school board with concerns. The concerns are with Alberta social services, for one of them. Basically what is happening is they are being dumped on, and the school, which is in a rural jurisdiction, is not getting any kind of assistance to help these people. They say, for example, that fetal alcohol syndrome, fetal drug related problems, and children surviving genetic and traumatic accidents with severe mental and physical handicaps are entering their schools at an alarming rate. They are not financially or professionally equipped to handle the increases. I submit to the hon. member that if you couple that along with the direction given, the inflexible direction that every student has to be, shall we say, integrated into the classroom, then these kinds of costs of looking after these children have a very hard, direct, and dramatic impact on school boards, and the school boards are not being treated the way they should be. Now, although I'm quoting from a letter from one particular board, that is a common complaint. I would stress to indicate that the placement of children by social services into a school jurisdiction – any social service agency responsible should fund those students to the full cost, and I agree with that particular recommendation that comes from this jurisdiction.

There are others in here which I'm not going to go into necessarily. They're basically very good ones. One that I certainly agree with is:

The Alberta Health Care, Alberta Mental Health, Alberta Social Services, and the Solicitor General's departments should share in the cost of education and in the delivery of services (in the schools) to special needs children.

Although it is considered to some degree but not fully, we certainly have to address the business of economies of scale and the problems of location. Instead, what is happening? We are getting from our minister vindictive actions based on facts that contradict themselves coming out of the same publication that the minister has. I'll quote from a document called *Achieving the Vision*. Now, if you'll check on page 17, in 1979-80 the annual dropout rate expressed in percentage was 12; that's per students 14 to 18 years of age. The actual number of dropouts was 16,500. Ten years later the annual dropout rate, expressed in a percentage, was 7.5; the actual number was down to 10,000. Now, you would think that the boards would be commended for doing a good job. However, if you turn over to page 19 – that's two pages later in the very same document, the second from last highlight.

The Alberta Government is implementing a new two-count system for school boards for 1992-93. Student enrollments will be counted in both September and April and school boards will receive their grants based on the average of the two counts. This is intended to provide a strong incentive to school boards to keep students in school.

AN HON. MEMBER: Hear, hear.

MR. WOLOSCHYN: Now, if Mr. Hear-Hear in the back had been awake for longer than three seconds, he would have paid note to comments that I made with respect to page 15 where he would have followed and seen that the trend has been there to keep more students in school for longer periods of time.

We go to the vision. Unfortunately, we may be running a little short of time here in a moment or two, but the vision has some rather interesting little directions too. I'll refer the hon. members to the section . . .

Speaker's Ruling Relevance

MR. ACTING DEPUTY SPEAKER: Order, hon. member. I would just like to caution the member and request that he perhaps direct his remarks more directly to the matter before the House.

MR. WOLOSCHYN: Thank you, Mr. Speaker, but the matters before the House I think I'm directing them to. The member is referring to equity in education, equity in funding of education, and I am referring out of here to the things that I perceive are not supportive of equity and education, are not supportive of arriving at the goal we are talking about. So, with all due respect, I do feel I'm on topic. I am on topic to the extent that I'm using for references only recent documents produced by the Ministry of Education, better known as Alberta Education.

Debate Continued

MR. WOLOSCHYN: I'll skip over the visions, if you please, and we'll go on to where we're going for equity in education.

We must have standards. We must be like the Japanese. Everybody agrees with that. I'll take you to what it says about the Japanese, and I'm quoting from the *International Comparisons in Education*. In this very document – and with your indulgence I will quote it, Mr. Speaker, with two quotes here – we are saying that the lack of dropout is wonderful in Japan and we should copy them. It goes on to say:

Virtually all children (99 per cent . . .) in Japan complete their compulsory education. An egalitarian philosophy predominates, with children promoted automatically from grade to grade, thus minimizing the occurrence of dropouts.

It goes on to say:

Because the workplace is dominated by men, and because Japanese culture stresses the role of women in child-rearing, the numbers of women entering university drop dramatically.

Now, if we're going to be copying one section – and this is all in the same document; I'm quoting from the document. If we're going to be looking for equity in education, we go one step further. The Japanese obviously have such a problem that they are looking to us for leadership.

4:30

It goes on to say:

Ironically, while many North Americans are looking to Japan for academic guidance, the Japanese are considering the American system for reformation purposes. The Japanese Educational Reform Council argues that it is important to "restore in the world of education vitality and creativity, enriched humanity and heart-to-heart contact among people, while paying attention to the current pathological phenomena" existing in their educational system.

So what I am trying to say, Mr. Speaker, to remain on topic, is that if we want to improve our education system, if we want it to be more equitable, first of all we must have a consistent understanding of what we want these students to do. We're getting mixed messages from the minister. One day it's high standards;

the next day it's integrate handicapped children. One day we should be like the Japanese; the next day we shouldn't be like the Japanese. I don't particularly go in much for all these comparisons, but if you look into this report – and I go back to a comment that I made earlier – somewhere in this particular document also you will find that there are more students going into grade 12 now than there are leaving grade 9 in the three-year period before. In other words, if you had 50 students in grade 9 three years ago, you would suspect that you would have 50 students now. The truth is that there are more than 50 students for that particular year, the reason being that many students are going back to school. They're going back for whatever reasons are there, and the minister, instead of being vindictive in his approach to funding, should be a little bit more creative and end up assisting boards that are trying to assist students. He should be rewarding boards that have assisted students.

There should be very direct attention paid to rural school boards to look at what's happening in those areas where they can't meet their obligations because, as a member pointed out, of the inequities in their assessment base. I would certainly agree that there should be some help going there. We should be looking at a boundary review. We should be looking at the elimination of the so-called four by fours if you want to improve equity in funding, and perhaps we should be looking at it in some other areas too: perhaps an overhaul of the tax system.

In closing, Mr. Speaker, what I want to stress is simply that we cannot cure this by using the archaic corporate pool model. It failed in British Columbia. It will fail in Alberta. But what's worse, once it's implemented, if it is implemented, it will create undue hardships on all the participants.

Thank you very much, Mr. Speaker.

MR. ACTING DEPUTY SPEAKER: The Member for Calgary-McKnight.

MRS. GAGNON: Thank you, Mr. Speaker. I'd like to begin by thanking the esteemed Member for Drumheller for raising this issue. It's an issue that should have been discussed in this Chamber in a full way many years ago.

I'd like to put all of this in historical perspective. From 1880 to approximately 1960 the major source of revenue for education funding was the local property tax base, but in 1961 the provincial government introduced the School Foundation Program Fund. That program was based on three premises: a provincial tax on local properties, the possibility of a supplementary tax by local school boards, and a formula to distribute the SFPF and other funds in an equitable manner across the province.

Since the introduction of this system, apart from a couple of years when there was a provincial rebate on property taxes, there has been a gradual decline in the provincial contribution to education from general revenue. There is, therefore, a greater reliance on the local property tax base. Since this tax base does not occur uniformly across the province, the problem occurs. A system of equity grants was thus introduced in 1984. At full implementation the effect of this grant would have been to bring all the districts with below average fiscal capacity up to 80 percent of the provincial average supplementary requisition per pupil. However, the current system of equity grants is insufficient to remove inequities that exist. The full implementation of equity grants was never done.

So I agree with the mover of Motion 203 that there is a very serious problem: we do not have fairness, and none of us want inequity to exist in regard to the education of children. However, I would contend that the solution proposed is quite simplistic and

does not take into account all of the factors at play nor the recent history, the history of at least the last five or six years, when so many of us have been involved in trying to address the issue.

In 1987 a provincial discussion paper came out, and these are the following principles agreed to for the province to follow in ensuring a sound basic education for all Alberta students. These principles included right of access, comparable standards, funding equity, tax equity so that people living in poor parts of the province would not be forced to pay inordinately high taxes for basic education. The fifth principle was the right to requisition based on the premise that each local jurisdiction should have the right to access local revenue to provide programs of local interest. Government flexibility, provincial support – the province must pay for most of the educational cost – efficiency and effectiveness: obviously, this government did not follow through on those 1987 principles which they had accepted as being at the basis of a sound education for all students in the province.

I just quickly want to go back for a minute to that idea of comparable standards. The mover of the motion did not mention distance education, which was indicated as one of the issues that he would raise. At least he didn't mention it in his initial remarks; he may in his closing remarks. I'd just like to say that it's quite obvious that in order to achieve that principle of comparable standards, one needs more than exactly the same amount of dollars. We know that spending the same amount of money on a student in Rosemary, for instance, will not necessarily result in exactly the same program as you would get at the Bishop Carroll high school in Calgary. The only way you can make this somewhat possible is with distance education, and I'm sorry that the speaker didn't speak a little more about distance education.

To achieve all of those principles, many options have been offered over the last number of years. While I was still on the Calgary Catholic school board, previous to three years ago, I know that my board and other boards spent hours trying to find a way in which we could achieve these principles, and of course much of that depended on funding. Some of the options which have been presented are the full implementation of the equity grant; grant equity adjustment – that is, the existing grant structure with grant adjustment to compensate for low and high areas of assessment – full nonresidential tax revenue sharing or direct provincial taxation on nonresidential assessment; and school board taxation limited to residential and farm property. The amount of moneys collected by Education for this purpose we feel could seriously hamper municipalities, so that was rejected outright. Limited nonresidential tax revenue sharing. Fund the real cost of education from general revenue: I think this is where most people are today. The income tax would probably go up, but property taxes would go down, and you would have the province returning to the former days when it funded most of the costs of education and the local situation was less important or less of a factor.

One of the other options which was suggested was a \$20 million equity grant to smaller jurisdictions while a proper study of the whole problem could be done. Now, this was the solution offered by the Alberta School Trustees' Association, now the Alberta School Boards Association, and most school boards about three and a half years ago. Nothing happened. This was a request for an immediate solution while the problem was looked at thoroughly. Nothing happened, so the problem has only become worse instead of even beginning to be addressed.

4:40

The last option, of course, is corporate pooling, the educational trust fund which the Member for Drumheller has proposed. Now, I don't think that corporate pooling is the answer, and most people

in the province, at least people who are in education, do not believe that is the answer. It is very simplistic. It has not worked in B.C. It is seen as a way of hindering local autonomy, local decision-making, and it just won't work. It's trotted out as the answer, good old corporate pooling. Dress it up with another name, call it equity trust fund, and it still won't work. I believe the minister should have accepted the interim solution while addressing some of the overall problems. Instead, because he couldn't get his way, he didn't do anything, and we've had a further deterioration of standards in some of these schools in this province.

I'd like to just make a comment here as an aside, that I wonder how the minister could rate the schools and give them a report card knowing the discrepancy that exists in funding. Surely he can't equate the programs offered to students in exactly the same way knowing that there's this huge disparity as far as funding goes. So I do question his report card.

Now, there are some current ways of trying to solve this problem. As we know, there is a lawsuit. There has been much lobbying done by a number of groups such as the Educational Trust Equity Council, major school boards, major trustee organizations, many, many municipalities and their respective organizations. I think all of them are trying to work together with the minister in order to come up with a solution, but none of them are suggesting strict corporate pooling as the answer. I think we have to address some other underlying problems – that is, the number of schools boards which exist but do not operate, the boundary problem that must be addressed. As far as how to assess property, there are three different assessment manuals in use, and we have not yet heard from the municipal taxation review. We were to get a report on that. We asked for it last spring. We still don't know what that review committee said about municipal taxation. So there are a number of underlying issues to be addressed before the simplistic issue of corporate pooling should be put into place.

[Mr. Deputy Speaker in the Chair]

I'd just quickly like to give a plug to distance education. I think it is the answer for many small rural schools. Villages and towns want their schools to remain open, and one of the ways in which that is possible is with distance education. It certainly gives students a broader choice of programs and does help them to achieve a somewhat equal standard and scope of education with students in larger centres. Another factor of distance education is that apparently, according to studies, student motivation is enhanced, because they become very much engaged in this process and in fact do very, very well in the subjects which they follow through distance learning. It also seems to be a very cost-effective way of delivering education services. The problem there though, again, is that the grant for funding of equipment has been stopped. There was a start-up grant to fund equipment. Many school boards opted in, they decided to go ahead, and now that grant has been scrapped. School boards need to update and upgrade the equipment that they're using, and they clearly don't have the money, especially those smaller and poorer school boards, to pay for that.

Now, I know that Alberta Education believes that distance learning is an additional means of providing education and not an alternate means. In these 1990s we have to consider distance learning as an alternate means of providing education. It would help in a number of ways; for instance, for students pursuing sports careers in the Olympics. It gives you the flexibility of time. You're learning at your own rate and you can achieve success, but you're not in a lockstep way of learning. You don't have to be at

school every single day. You can pick up a program and complete it at your own pace. It's also something I suggested last week when speaking about one way of dealing with young offenders. Rather than sending them back into a regular school, it could be that they should be encouraged to follow distance learning programs.

I just again want to say that distance learning is something that was pioneered in many ways at Athabasca University, and we should commend Athabasca University for the work that they did. We must also make sure that we use their current information about the distance education program. As I said, I'd like to see it considered an alternate way of delivery of education, not just – what was the word that I used? – an additional way. I think it must be seen as an alternate way. These days I think all of us have to look at new ways of delivering education service. We have to think smarter. We have to use the technology that exists; it is there to benefit all of us. I do hope that the member will talk about distance learning, how he feels and how his government feels, when he closes this debate.

Just to recap very, very quickly, corporate pooling as proposed by the minister is simplistic. The member proposing this motion did not expand on his vision of corporate pooling, but I must say that there are other underlying problems that must be addressed, because we do want fairness. We do want equity in education for all students.

Thank you.

MR. DEPUTY SPEAKER: The Member for Cardston.

MR. ADY: Thank you, Mr. Speaker. I'm pleased to have the opportunity to rise and speak in favour of Motion 203, which calls for equity funding in our educational institutions. This motion is very important to me and to my constituents. As a matter of fact, I was preparing a similar motion to be brought forward for debate in this session when I learned that my colleague had also prepared one, and based on that, I allowed mine to not be entered into the draw. Nevertheless, I'm pleased that I have an opportunity to speak in favour of it.

It's been interesting to listen to the debate thus far, Mr. Speaker. When we hear that the Member for Stony Plain is not in favour of equity funding, which means that he must be in favour of unequal funding, that means that he's in favour of some school jurisdictions having more than others, some students being disadvantaged. I'm really surprised that the member would take that position, but I guess you learn some things in these debates, and that's why we come here to hear them.

Mr. Speaker, my colleague has adequately shown this Assembly that there is a need for action on the issue of educational funding. He has provided some convincing evidence that proves that not all Albertans are receiving the same level of education opportunities. I would like to add to some of the comments that he made, as well as to endorse those of my colleague. He certainly was on the right path with the comments that he made, endeavouring to set a direction that the government should follow to address this inequity that has grown and prevailed in our system for too long.

In 1988 this Assembly passed the School Act, which guarantees that all students in Alberta have a right to access education programs and services suited to their needs and their abilities. But, Mr. Speaker, the problem is that school jurisdictions across the province do not have similar access to the funding needed to provide the required programs and services. Therein lies the inequity that we have been faced with for some time, that school boards have been disadvantaged and consequently students have been disadvantaged because of this inequity in the funding within

our province. Right now in Alberta more than 105 school boards are calling for a plan that would see more equity in our funding of education. Only 35 school boards continue to oppose any plan that might direct more money to school boards in less wealthy jurisdictions. Unfortunately, we have some members of the opposition who side with the 35 school boards who see no need to redirect some of this funding. It would appear that a majority of school boards are requesting that this government act to correct the problem of inequity in educational funding. Today I'd like to speak on behalf of these school boards and my constituents.

4:50

It is because of the current situation that I urgently support Mr. Schumacher's motion, which urges the government

to ensure that all students across the province have equity in educational opportunities by making adjustments to the current equity funding plan and to the distance learning program.

It's a fact that since funds available to schools differ, the educational opportunities across Alberta are not the same. The range of courses available in different school jurisdictions has a wide variance. In some lower funded school jurisdictions specialized equipment for labs or such things as computers may be only sufficient to cover a basic program. In fact, in some circumstances they may even fall short of that. Often specialized programs for the physically or learning disabled are in short supply, all of this brought about by the inequity that prevails across our province in funding. Today in one school jurisdiction the maximum number of courses available to a high school student is 21. In another school jurisdiction a student can attend a school offering more than 170 courses. This is a difference of about 150 educational opportunities. The quality of education at almost all of Alberta's schools is extremely high, but for students in many schools the quantity of choices that will prepare them adequately for work in their community or for postsecondary experiences falls far short.

I'd like to talk a minute about the history of funding of education in our province. It seems that historically it has gone up, leveled off, and sometimes decreased and fallen down again. It's been a constant challenge on the part of the government to find a method that will fund education fairly and adequately in our province. In 1950 provincial grants made up only 27 percent of education funding while local taxes made up the difference of 73 percent. By 1960 provincial grants had increased to over 44 percent. In 1961 the School Foundation Program Fund, often called the SFPPF, was introduced. It raised the provincial contribution to education that year to over 92 percent. I suppose it seemed at that time that we had arrived; we had solved the problem, and things looked really good. In 1974 the government scrapped the SFPPF levy on residential property. This resulted in lowering the provincial contribution to around 81 percent. Rapid inflation in the late '70s and early '80s increased the local contribution to their school boards. Grant rate increases were less than the consumer price index, and assessment growth did not increase as rapidly as educational expenditures, resulting in higher local mill rates. The fiscal capacity of less wealthy boards has thus fallen further and further behind the affluent boards.

The problem with fiscal inequities among school boards will continue to grow. If we do not address the problem now, we will face two alternatives: either risk the quality of education of students in some parts of the province or be prepared to add a significant amount of funds, at least an additional \$20 million to \$30 million annually, within the next five years from the general revenue of the province. It is estimated that about \$150 million annually will be required in five years to deal fully with the growing inequities in education.

Mr. Speaker, the other day a debate about the inadequacies of our justice system made some valuable comments about our country's Charter of Rights. In that debate it was pointed out that that document has been used too often to protect the rights of the accused more than the rights of the innocent. Well, this document might become a valuable tool to be used by less wealthy school boards who claim that their students are not receiving an equal education, which should be guaranteed under the Charter. In the United States, 26 states now have had their education funding plans challenged in court. In 12 states the courts have ruled consistently that there must be equal funding from the state and that there cannot be different access to local taxes, causing disparities in funding available to schools. In cases where the courts viewed the legislation as establishing education as a fundamental right, the state bears the burden of proof to show that a fiscally inequitable system is constitutional. In all of these court cases so far, the state has been unable to prove this.

As has been already shared, in Alberta wealthy boards have 5.5 times the revenues available to the less affluent boards. In addition, they have become wealthier. Their spending power has increased from 4.3 times in 1985 to 5.7 times in 1990. Put in dollars, the difference in per pupil expenditures increased from \$3,000 to \$13,000 in 1985, from \$3,500 to \$20,000 in 1990. It remains to be seen, but some may argue that the inequity in educational funding in our province is unconstitutional. Let's make sure that we don't have to find this out. The proposal for consistency in fiscal equity is consistent with government policy. It is the government's responsibility to ensure that taxes are collected and distributed in a fair and just manner to all its citizens.

The Alberta government's statement of social policy makes a commitment to providing equitable opportunities for all Albertans. It makes a commitment that all Albertans should have equal access to government programs and ensured access to quality programs and services in essential areas of government responsibility such as education, health care, and justice. The proposal for equity should promote the goal of building economic development and diversification across the province. I do not believe that everyone's education spending must be maintained at exactly the same level, but I believe that children across this province must have equitable access to educational opportunities. If taxpayers of a school jurisdiction wish to provide programs and services above the basic level, they have the right to increase their local tax efforts to raise those funds. I believe that equity funding will put more control of expenditures and planning for the future into the hands of the people of each Alberta community.

Mr. Speaker, I represent one school district in total and part of another school district that have a history of good money management. I say they have a history of good money management because until recent years they had a surplus; they had a reserve fund. Slowly but surely, it's been eroded. I'm reasonably close to those school jurisdictions and have seen them in action, and it has not been by mismanagement. It's because of what's happened to them with the educational system and the funding system. They've just worked in opposition to them, and they've not been able to cope. They've been frugal in their management, but they just continue to have extreme difficulty in trying to balance their budgets. They have acted responsibly in their board capacity, but their fixed costs continue to outstrip their revenue. They are a prime example of districts and boards who have a low industrial tax base and, in an effort to provide adequate programs to their students, have cranked up residential taxes to the breaking point. There is no more tax room. They and other districts like them

must find some relief, some form of equity. It must be developed, and it must be developed soon.

5:00

Mr. Speaker, certainly the opposition members suggest that the answer, of course, is to reach in and increase taxes, that always the answer is to increase taxes at the income tax level. But that's just one way of looking at it that is probably counterproductive in today's circumstance that we have out there. I think we have to be looking for innovative ways to solve this problem. I don't think that the opposition parties have found it. I know that we've had groups across this province searching for ways. There have been committees formed that have spent hours and days trying to come up with a formula that could be acceptable to a vast majority of the boards and districts in this province. To date that hasn't been accomplished. I think we have to keep working at it.

Mr. Speaker, on behalf of my constituents I urge this Assembly to look closely at Motion 203 and decide whether or not this plan would benefit all Albertans. I'm sure that if this Assembly is to examine the problem, the history of funding, the possibility of a conflict with the Charter of Rights and Freedoms, and the fact that the idea of equal funding is not in conflict with government policy, then all can agree that there is a need for equal funding and we must act quickly. Therefore, I urge this Assembly to accept the direction of Motion 203.

Mr. Speaker, in view of the debate that has ensued, I would move adjournment of debate.

MR. DEPUTY SPEAKER: The hon. Member for Cardston has moved that the debate be adjourned. All those in favour, please say aye.

SOME HON. MEMBERS: Aye.

MR. DEPUTY SPEAKER: Those opposed, please say no.

SOME HON. MEMBERS: No.

MR. DEPUTY SPEAKER: In my opinion, the ayes have it.

[Several members rose calling for a division. The division bell was rung]

[Eight minutes having elapsed, the Assembly divided]

5:10

For the motion:

Ady	Nelson	Paszkowski
Bogle		

Against the motion:

Black	Gesell	Mjolsness
Calahasen	Gibeault	Moore
Cardinal	Gogo	Musgrove
Cherry	Klein	Roberts
Chivers	Kowalski	Severtson
Clegg	Laing, B.	Shrake
Dinning	Laing, M.	Sparrow
Drobot	Lund	Tannas
Elliott	Main	Weiss
Ewasiuk	McClellan	West
Fischer	McFarland	Woloshyn
Fjordbotten	Mirosh	Zarusky
Gagnon		

Totals	For - 4	Against - 37
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[Motion lost]

MR. DEPUTY SPEAKER: The hon. Member for Edmonton-Calder.

MS MJOLSNESS: Thank you, Mr. Speaker. I'd like to thank the Assembly for extending the debate on this very important motion. I really do appreciate that. I'm sure it's because the Assembly knew I had something to say on this motion, as well as my colleague from Edmonton-Strathcona, and they really wanted to hear what we had to say.

I'd like to congratulate the Member for Drumheller for bringing forward this motion, because I think funding in education is an extremely important issue that needs to be discussed in this Legislature. We're talking about financial equity amongst the school boards and school jurisdictions throughout this province and in education. It was interesting the Member for Cardston talking about the Member for Stony Plain. The last time I checked, Mr. Speaker, this government was responsible for the inequity that exists in the system right now - not the Member for Stony Plain - and he is a member of that government. I just wanted to point that out.

Certainly, Mr. Speaker, whether you live in northeastern Alberta, southeastern Alberta, the western part of the province, in the centre, wherever, you do have a right and children have a right to equality of education, and they have a right to equal opportunity in education. I don't think any one of us in this Assembly would disagree with that. When we talk about the large industrial tax base that some of the rich school jurisdictions have, I'd like to point out that I have never spoken to a single jurisdiction that feels they are rich or affluent. It doesn't matter where you are in the province, if you talk to the school boards and the school representatives, they do not feel that they have a lot of extra money. As a matter of fact, it's just the opposite. The jurisdictions that might have a large tax base - for example, a large industrial base - feel they're trying to meet the needs of so many students that they currently can't meet. It doesn't matter what part of the province you may travel to; you will hear the same kinds of things being said by school boards and school jurisdictions.

The Official Opposition has met with many school boards throughout this province, as I'm sure most members in the Assembly have done. I'm sure they are hearing the same kinds of things that we are hearing. The challenges in education, Mr. Speaker, are on the increase. There's no doubt about that. Teachers these days are dealing with many, many different types of students, and the challenges are just increasing at a very rapid pace. Those of us in this Assembly that were teachers at one time recognize this, and I'm sure that all members do.

I believe, Mr. Speaker, that this government is renegeing on their commitment to education in this province. Previous speakers have alluded to this: at one time we had a government that funded education at a much higher rate than they do now. At one time, I believe, it was close to 85 percent of the funding for basic education that came out of general revenue. Now we're down to something like 60 percent, which is putting a much greater burden of funding on the local taxpayers. That's where we're running into problems.

[Mr. Speaker in the Chair]

I know that the throne speech talked about education being a priority, and in the throne speech they talk about this vision they have for education. When I hear this, I always think about the Member for Stony Plain alluding to the fact that it's not really a

vision for education; it's more like a hallucination that this government has for education. They're ready to blame the kinds of things that are happening in the various school jurisdictions on those boards, on the local municipalities, as opposed to taking some of the responsibility themselves. It's no wonder the boards are under a lot of stress trying to meet the needs of all the students. The list goes on and on about the needs that are out there, the needs that these elected representatives are trying to meet with their students. It's a very difficult job, and I don't think the government is helping very much.

I said earlier that there's not one school jurisdiction that I know of that isn't struggling in this manner, trying to provide for the needs of their students. Certainly, as we move into these more challenging times, there are a number of various problems that are arising that perhaps we haven't seen in previous years, or they were there but not to the degree that they are now, Mr. Speaker. Things like students coming to school hungry: many people may say, "Well, what has that got to do with education?" But as long as a student is not being fed, they cannot learn. We hear over and over again from various school boards, school representatives, that this is becoming a growing problem for them. Students that aren't being fed can't concentrate. They may be in need of remedial education simply because of the fact that they're falling behind at school. All of these things end up costing those school boards more in the long term because they have to meet the needs of these students, Mr. Speaker.

5:20

We heard earlier the fact that a lot of the school boards are trying to meet the growing concern of dropouts in our education system. Still, even if it is improving over previous years, we have a large number of students that are dropping out. Currently in our education system there are many students whose needs aren't being met and they are dropping out. I think school boards are recognizing that this is another issue that has to be addressed. Where are the funds? Where do they come from? We have severe behaviour problems now in our school systems. These are more challenges that school boards and school jurisdictions have to face.

Again, whether you're in southern Alberta or whether you're in northern Alberta, whether you're in Edmonton or Calgary or Red Deer, wherever, these are challenges that school boards have to try and face. It's becoming extremely difficult, Mr. Speaker, and it's becoming extremely costly. I know that when we met with one of the school boards recently, they were even telling us how teachers now are on medications, trying to deal with some of the situations that they're put into.

We need to look at preschool programs for children that may need some developmental skills in their early years so that once they get to school, they won't need the remedial help that they may have needed otherwise. These things cost money. Again, there's no school jurisdiction that I know of that has extra money, that is affluent and can share a lot of this money. As a matter of fact, Mr. Speaker, the responsibilities are growing.

I can think of all the things that schools need more of, that are apparent no matter where you are in the province. They need more counselors to deal with the kinds of problems they're faced with now. Even teachers need some counseling because of the problems they're facing. Mr. Speaker, if anything, we need to take a look at how the funding is being allocated from the provincial government, not where we can take it from one to give to another.

We've seen an increase in user fees, and this is a serious concern because many families nowadays cannot afford the user

fees that are being charged, nor do I believe that it is right to charge students above and beyond what they pay through their taxes. Many of us may think that user fees don't really cause a problem, but in fact, Mr. Speaker, I know that they do. They deny many children equal access and opportunity to a good basic education. That's another area that we need to look at when we're talking about equity funding and providing equal opportunities and equal access to education for our students throughout this province.

Mr. Speaker, again we must talk about this provincial government's commitment to education and ask: why do they continue to decrease the funding available to school jurisdictions? I would also ask: where is the fiscal plan? Where is the fiscal plan of this government? We haven't seen a budget yet. I mean, they talk about fiscal responsibility, fiscal accountability. There isn't any. We have no public accounts as of today, still no public accounts. It's no wonder that we have financial problems in this province. I would urge the government to look at their own track record before blaming school jurisdictions or school representatives or on and on. They need to look at the funding that's currently existing. Their commitment to education, Mr. Speaker: that's what we need to look at.

Thank you.

MR. SPEAKER: Rocky Mountain House.

MR. LUND: Thanks, Mr. Speaker. It gives me a great deal of pleasure to rise and speak to this very important issue and, more directly, to Motion 203. When I read what it says about

to ensure that all students across the province have equity in educational opportunities by making adjustments to the current equity funding plan and to the distance learning program,

that's, I think, a very good start. However, there are some other, much broader issues that have to be addressed in this whole equity idea.

Equal opportunity. I hope equal opportunity is not exactly what we're saying because no matter what we do, that is unattainable. What I mean by that: we are going to always have the situation where there are large schools, many children; we are then going to have the opportunity of providing many more courses to those students than in the much smaller schools.

Distance learning is an extremely important component of getting to this equity. The opposition haven't said much about that. Both socialist parties have insisted on more spending; of course, that's typical. Mr. Speaker, I think we have to in this whole debate remember that in fact we've only got the one taxpayer out there. No matter where the money comes from, whether it be via the provincial government or through property taxation, we still are taking the money from the same people. I think we have to be very careful that we do more with the dollars we've already got. Certainly there are great inequities out there right now. There are school jurisdictions that don't have the assessment per pupil that allows them to do some of the things we should be doing. However, I don't believe that the corporate pooling proposal is the answer. That is one that has been touted by a number of people, but unfortunately the method of paying out of that is going to simply ratchet up the cost, and people will continue to try to get to this average that is unattainable.

In view of the time, Mr. Speaker, I move adjournment of the debate.

MR. SPEAKER: Having heard the motion, those in favour, please say aye.

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no. The motion carries.

MR. GOGO: Mr. Speaker, by way of business tomorrow the government will be calling debate on the throne speech. I would move we now call it 5:30.

MR. SPEAKER: In terms of the motion, hon. Deputy Government House Leader, it should read that it's resolved the House does not sit tonight but will tomorrow.

MR. GOGO: Thank you, sir. I thought hon. members might see through that. I would move the House do now adjourn till tomorrow at half past 2.

MR. SPEAKER: Thank you, hon. member. You were indeed accurate in your assessment of the hon. members, but I was just

a little bit concerned about the actual wording, for purposes of the record. Thank you.

All those in favour of the motion, please say aye.

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no.

AN HON. MEMBER: No.

MR. SPEAKER: I gather we've had a historic event this afternoon, according to one member, so that's good. In the opinion of the Chair, the ayes have it. Therefore, the motion carries.

[At 5:29 p.m. the Assembly adjourned to Wednesday at 2:30 p.m.]