

Legislative Assembly of Alberta

Title: Thursday, May 15, 1997 1:30 p.m.
Date: 97/05/15
[The Speaker in the Chair]

head: **Prayers**

THE SPEAKER: Good afternoon. Today's words for the prayer were penned by former Speaker Art Dixon and were given in the Assembly on February 19, 1971.

We commend this province and nation to Thy merciful care that by being guided by Thy providence, we may dwell secure in Thy peace.

Fill all with the love of truth and righteousness, and make all mindful of their calling.

Amen.

Please be seated.

head: **Introduction of Visitors**

MR. TANNAS: Mr. Speaker, I am pleased to introduce to you and through you to members of the Assembly a former member of this Assembly, Mr. Arthur Dixon, and his wife, Mrs. Margerite Dixon. They are seated in your gallery. Mr. Arthur Dixon was first elected to the Alberta Legislative Assembly in the general election of 1952 as the Social Credit candidate. He served for six terms as a member of this Assembly, until 1975, representing the constituency of Calgary-South and later Calgary Millican. Mr. Dixon was appointed Deputy Speaker in 1955. He was appointed Speaker of the Legislative Assembly in 1963 and served with distinction in that capacity until 1972. I would ask that Mr. and Mrs. Dixon rise and receive the traditional warm welcome of this Assembly.

I am also pleased to introduce another former member, Mr. Elmer Borstad. Mr. Borstad was first elected to the Alberta Legislative Assembly in the general election of 1979 as the candidate for the Progressive Conservative Party and served one term representing the constituency of Grande Prairie. During his term Mr. Borstad was chairman of the Northern Alberta Development Council. I'd ask that all members welcome Mr. Borstad, who is standing in your gallery, Mr. Speaker.

head: **Notices of Motions**

THE SPEAKER: The hon. Member for Spruce Grove-Sturgeon-St. Albert.

MRS. SOETAERT: Thank you, Mr. Speaker. I rise to give oral notice that pursuant to Standing Order 40 later today I shall rise to present the following motion:

Be it resolved that this Assembly recognize and congratulate the Leduc composite high school Reach team for winning the provincial championship recently and wish them success this weekend at the nationals.

THE SPEAKER: The hon. Member for Calgary-Buffalo.

MR. DICKSON: Thanks, Mr. Speaker. I give notice now that I'll be rising at the appropriate time later this afternoon to seek support of the Assembly for a motion recognizing that this week is the annual celebration of Nurses Week in the province of Alberta.

head: **Tabling Returns and Reports**

THE SPEAKER: The hon. Minister of Municipal Affairs.

MRS. EVANS: Thank you, Mr. Speaker. It's my privilege and pleasure today to table four copies of the Committee of Supply, subcommittee C, responses to questions raised April 30, Alberta Municipal Affairs, as well as a response to questions raised by the opposition. The four copies relate to municipal taxation on buildings owned by not-for-profit organizations.

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

MR. MacDONALD: Thank you, Mr. Speaker. I am pleased to table four copies of a letter from Susan Driver dated April 5, 1997. In her letter she expresses concerns about the proposed amendments to the licensed practical nurses' regulations. Accompanying this correspondence is a summary outlining the proposed changes.

THE SPEAKER: The hon. Member for Edmonton-Riverview.

MRS. SLOAN: Thank you, Mr. Speaker. I would like to table for the Assembly four copies of a letter filed with the Information and Privacy Commissioner this morning with respect to his investigation of potential violations of section 31 of the Freedom of Information and Protection of Privacy Act.

Thank you.

head: **Introduction of Guests**

THE SPEAKER: The hon. Member for Edmonton-Centre.

MS BLAKEMAN: Thank you, Mr. Speaker. I'd like to introduce to you and through you to members of the Assembly 13 students from the Grant MacEwan Community College office administration program. They're accompanied today by Carol Bolding, who's their instructor in conferences and meetings, and Angela Friesen, who's their instructor in records management. I would ask for them to please rise and receive the warm and traditional welcome of the Assembly.

MR. SHARIFF: Mr. Speaker, I'm pleased to introduce to you and to this Assembly 29 grade 10 students from Rundle College, which is in the riding of Calgary-McCall. They're accompanied by two teachers, Rod Martens and Lynn Scott, and I request that they rise and receive the traditional warm welcome of this Assembly.

MR. DAY: Mr. Speaker, up until seven years ago the Premier's office was ably equipped with a special assistant, an individual then by the name of Sheena Cox. Sheena departed from that well-handled position and has moved on. She has become married, and she and her husband, Brian Bethell, moved to Switzerland. She got her MBA, went to Switzerland, found out all about citizen's initiatives and referenda, and is now talking about the Alberta advantage down in Brazil. Sheena, now Bethell, is with us today as is her husband, Brian. I'd ask them to stand and receive the warm welcome of the Assembly.

THE SPEAKER: The hon. Member for Grande Prairie-Wapiti.

MR. JACQUES: Thank you, Mr. Speaker. It's my pleasure this

afternoon to introduce three guests. First of all, on behalf of my colleague the minister of transportation and the Member for Grande Prairie-Smoky it's my pleasure to introduce to you and through you to Members of the Legislative Assembly Lucille Partington and Sam Elkontar, both from Sexsmith, Alberta.

In addition, Mr. Speaker, it's my pleasure on behalf of my colleague the MLA for Dunvegan again to introduce to you and through you Gail Briggs from Rycroft, Alberta. They are seated in the members' gallery, and I would ask that they would rise and receive the warm welcome of the Assembly.

MRS. O'NEILL: Mr. Speaker, I rise to introduce to you and through you to the members of the Assembly two residents of St. Albert who are here today. They assisted me during the campaign, and they are currently working in my constituency office: Amy Venne and Carmen Storey. I'd ask them to stand and receive the warm welcome of the Assembly.

THE SPEAKER: The hon. minister responsible for children's services.

MS CALAHASEN: Thank you, Mr. Speaker. It is indeed a pleasure to be able to introduce 36 students from Slave Lake from St. Mary of the Lake school. They're accompanied by their teachers Mrs. Susan MacLennan, Mr. Brett Arlinghaus, Ms Gail Frost and parent helpers Mrs. Robin McNeil, Mrs. Bev Auger, Mrs. Melanie Gilkes, Mrs. Tory McArthur, Mrs. Reith, and Mrs. Betty Gadoy. Could you please all rise and receive the warm welcome of the House.

head: **Oral Question Period**
Private Health Services

MR. MITCHELL: Mr. Speaker, the Minister of Health has repeatedly said that in allowing the private hospital to be built in Calgary, he will in no way allow it to contravene universal public health care. Now the federal government yesterday has indicated to the minister their concerns that this private hospital will possibly undermine the public health care system. To the minister: will the minister say definitively – definitively – that he will not allow publicly funded health care services to be contracted to this private hospital?

1:40

MR. JONSON: Mr. Speaker, I would like to repeat and re-emphasize that the government is going to follow the principles of the Canada Health Act.

Secondly, Mr. Speaker, earlier this year all of the provincial Premiers were involved in the preparation of a position paper which was released and presented to the federal government outlining the provincial ministers' and territorial ministers' position with respect to the future directions of health care in this country and also emphasizing that it was important that the federal government work with the provincial governments and the territorial governments to have a consistent interpretation and application of the Canada Health Act in every province and territory in Canada. I have not been contacted by the federal minister, but certainly given that this issue seems to have arisen, we will be making inquiries as to what its source might be.

MR. MITCHELL: Alberta was fined millions of dollars last time this government made an effort to . . .

THE SPEAKER: Hon. leader, remember our discussion on preambles yesterday.

MR. MITCHELL: Mr. Speaker, given the minister's indication that he won't contravene the Health Act and in light of the fact that last time his government made that point, we were fined millions of dollars, how many millions of dollars in fines will it take before this minister and this government understand that private hospitals kill public health?

MR. JONSON: Mr. Speaker, I would like to remind the hon. member that during the period of time when there was the issue with respect to the eye clinics, the previous minister endeavoured to get a precise interpretation with respect to those clinics from the federal government. There was the passage of time, and, yes, there was a financial penalty. However, when that interpretation was clarified, firmed up as far as the Canada Health Act was concerned, we took corrective action with respect to applying that interpretation.

MR. MITCHELL: A fine's a pretty definitive indication.

As the population grows in Calgary, is the minister planning to meet the increased health care demand that that will create by building new hospitals or by simply paving the way for more private hospitals?

MR. JONSON: Mr. Speaker, it would be the government's intention as always to work within a responsible fiscal framework, but certainly we recognize that a justified case that is made for increased health care funding would be something that we would have to deal with as the province grows with its healthy economy and also with the aging component of its population. So certainly we want our public health care system to provide reasonable access, to offer, as it does, top quality service for this province.

Health Resource Group Inc.

MR. MITCHELL: Canada's first for-profit, privatized, Americanized hospital is about to open in Calgary, Mr. Speaker. Under NAFTA health care services are exempt from foreign private competition as long as health care is provided for a public purpose. With the opening of the HRG hospital, health care will be provided of course for a private purpose, for profit. As soon as a private company is allowed to provide private health care services, equal treatment and access must under NAFTA be given to American health corporations. Why is this government jeopardizing Alberta's entire public health care system, a system that covers everyone in this province and costs half as much as the American system to run?

MR. JONSON: Mr. Speaker, I would like to again repeat and emphasize – and I think it is required because of the question – that we are committed to following the principles of the Canada Health Act. We are committed to having the best possible health care system in this province which is publicly governed, publicly funded.

With respect to the issue of NAFTA our interpretations are somewhat different from the hon. member's. I noticed – I believe it was two days past – that he displayed in the Assembly a document which was purported to be a legal opinion, and I think I quite politely requested that opinion. If it could be provided, we would certainly look at it and give it due consideration. But, Mr. Speaker, that is the position that we take as a government.

MR. MITCHELL: Will the minister admit, Mr. Speaker, that his government didn't protect public health under NAFTA because his government's plan has always been to allow private hospitals like the Health Resource Group and their American counterparts into our health care system? Alberta is the only province that didn't protect public health care under NAFTA. I know you don't want to hear that. It's the only province. Is that the plan?

MR. JONSON: Mr. Speaker, it is not my view that there is any intention of promoting or inviting in the American health care model. That is tommyrot.

MR. MITCHELL: Why would the minister even risk to any extent at all opening the door of our health care system to more Americanized, privatized health care companies when their own system doesn't cover 40 million people?

MR. JONSON: Mr. Speaker, the government is committed to providing a quality public health system in this province and providing access to medically required services to the public of this province. With respect to the allegations across the way certainly our priority is with making the system work as well as possible, funding it adequately, and having quality publicly provided health care for all the people of the province of Alberta.

THE SPEAKER: Third Official Opposition main question, the hon. Member for Edmonton-Riverview.

Release of Child Welfare Document

MRS. SLOAN: Thank you, Mr. Speaker. The Minister of Family and Social Services has stated that his department stands behind social workers, yet instead of honouring this commitment, he has shown us that he is no different than a former minister who chose to punish courageous workers rather than embrace them. My questions are for the Minister of Family and Social Services. Can the minister explain how his office can provide a letter to a local paper accusing and naming a social worker of releasing information that his department had chosen not to?

DR. OBERG: Thank you, Mr. Speaker. First of all, for the members of the audience here I'd like to basically state what happened. The Liberal opposition was questioning me in question period about the number of children that have died under care of the government. I then tabled a couple of copies which showed what every case is that has died while under care of the government.

Mr. Speaker, it came to our attention that the document that was in discussion from the Liberals had actually been sent to the AUPE from a member of my department. In standing up for the members of my department, everyone is innocent until proven otherwise. Consequently, what I have done is that I have sent a letter to the Privacy Commissioner to ask him for his opinion and to look into where the information was obtained from and how it was leaked to the media and leaked to the Liberals.

1:50

Mr. Speaker, it's a very dangerous, dangerous situation when we have a document that says "This is not to be released," and when it becomes released by a member of the department that I am the minister of, it is an extremely dangerous scenario.

Speaker's Ruling Sub Judice Rule

THE SPEAKER: Hon. Member for Edmonton-Riverview, I would ask that in the future you avoid references, under the guise of an allegation, to former members, former ministers who are not in a position to explain or defend themselves.

Hon. Minister of Family and Social Services, the Chair has heard the minister say that a matter was referred to the Ethics Commissioner. All hon. members have to be aware of legislation known as Conflicts of Interest. I just would quote at this point in time section 22(6).

Where a matter has been referred to the Ethics Commissioner under subsection (1), (3) or (4), neither the Legislative Assembly nor a committee of the Assembly shall inquire into the matter.

So, hon. member, you can proceed with your supplementary question on the basis of the guidance provided by the Chair. If the matter is under review by the Ethics Commissioner, our own legislation prohibits hon. members from raising such matters. I don't know where you're going with your second question, but proceed and we'll see.

MRS. SLOAN: Thank you, Mr. Speaker. It's not related to the Ethics Commissioner inquiry.

Release of Child Welfare Document

(continued)

MRS. SLOAN: My second question is also to the Minister of Family and Social Services. How will the minister, after allowing the release of an employee's name, provide an assurance that she will receive a fair and impartial hearing?

DR. OBERG: Mr. Speaker, how the media gets their information is very difficult and is very much an unknown to me. It's a very unfortunate thing when a member of my department is named in the newspaper.

Mr. Speaker, I wrote to the Ethics Commissioner. I wrote in his responsibility as the Privacy Commissioner. I stated the person's name in question, and I also have stated on numerous occasions that this will be a matter that will be investigated fully. It is a matter that will be looked into, and it's a matter that will be looked into fairly. Any employee under my ministry is innocent until proven guilty.

MRS. SLOAN: Well, rather than drag the member through the paper, would the minister commit to having whistle-blower protection introduced and passed in this session that would further avoid an employee of the Family and Social Services department being subjected to this type of public scrutiny?

DR. OBERG: Now, Mr. Speaker, let me just think about this one. We had a member of our department who supposedly sent private, confidential information, faxed it to a Labour department phone number. It was then given to the labour union, followed to the Liberal Party, and then was put out. And they want whistle-blower legislation? I don't think so.

MR. HAVELOCK: Thank you, Mr. Speaker. There is somewhat of an element of irony to this entire matter. The office of the Chief Medical Examiner prides itself on open communication with all Albertans. There are usually public inquiries into the deaths of children in the care of Family and Social Services in most cases where it's determined that the death was from other than natural causes. Those inquiries are held in open court before a judge.

The reports are made public. Subsequent to the hearing from the judge the inquiry schedule is publicized on a monthly basis. There is various statistical and case information available to the general public, and the Chief Medical Examiner's office receives numerous requests for this type of information. So what I find interesting throughout this whole process is that the information itself was easily obtainable by simply asking for it as opposed to using the system in what appears to be a very underhanded way in an attempt to embarrass when there was no need to do that.

THE SPEAKER: The hon. Member for Edmonton-Strathcona, followed by the hon. Member for Clover Bar-Fort Saskatchewan.

Health Resource Group Inc.

(continued)

DR. PANNU: Thank you, Mr. Speaker. The Minister of Health has said previously in the Assembly that the Health Resource Group will be offering "hospital-type" services. I agree with the minister in that the summary of the HRG's business plan says that the facility will provide, among other things, surgical and ambulatory services and explicitly states that "facilities, equipment and staffing will comply with . . . acute care, public hospital standards." My question to the Minister of Health is this: based on his assessment of the HRG's plans, is the facility being developed at the former Grace hospital site a hospital or is it not a hospital?

MR. JONSON: Mr. Speaker, as I've indicated in the Assembly, I regard this particular proposal as a proposal from a firm, an entity proposing to offer certain services in the field of health care in the province of Alberta.

DR. PANNU: Given that the minister said earlier this week that any health providers and practitioners have to meet professional and occupational requirements, how can the minister justify not requiring the HRG facility itself to meet the standards set out in the Hospitals Act?

MR. JONSON: Mr. Speaker, as I recall, my indication was very clear, and that is that with respect to the professional services that might be part of this service, they would come under the auspices of the College of Physicians and Surgeons with respect to medical standards and all associated matters. That is what I said.

DR. PANNU: Thank you, Mr. Speaker. Given the minister's continuing nonanswers to questions regarding this private, for-profit hospital, will the minister please table information that he has which supports his claim that HRG's plans comply with the province of Alberta's Hospitals Act?

MR. JONSON: Well, Mr. Speaker, as I've indicated previously in the Assembly, first of all, with respect to the compliance with legislation and the compliance with the principles of the Canada Health Act, we are committed to ensuring that that is the case with respect to this service.

The second thing which might be of interest to hon. members is that I also made a commitment to carefully monitor developments with regard to this proposal. If I might, Mr. Speaker, because I think it is relevant to the question, I would like to file with the Assembly copies of a letter that I have sent to regional health authorities across the province indicating in writing that I want to be apprised of any contemplated relationships between

HRG and any of the regional health authorities and that my consideration and approval be obtained before any contracts or any other relationships are entered into.

Special-needs Education

MR. LOUGHEED: Mr. Speaker, because of improvements in health care, improved diagnostic techniques, and early identification more and more children with disabilities are entering our regular classrooms. This is putting a huge strain on schools where teachers are expected to cope with more and more students with disabilities. Separate funding is identified for students with severe disabilities. My question is to the Minister of Education. Will he tell this House why his department is not providing funding for those children with mild and moderate disabilities?

MR. MAR: Mr. Speaker, the hon. member mentions that there is an increasing number of children with disabilities in schools, and I think that that is true, but I do want to point out that the funding framework does provide funding for students with mild and moderate disabilities. Under a previous funding model funding for such students with mild or moderate disabilities came in a separate envelope, but now we have a block fund, and it is all contained within the same block fund for the basic instruction grant.

Mr. Speaker, we don't tell boards how to spend their money. Money is allocated for mild and moderate students, but we do not tell them that they must spend it in a particular area. Out of the \$3,686 instruction grant that goes on a per student basis, we suggest about \$250 of that go towards mild and moderate disabilities. Our experience has been that approximately one out of 10 children in schools will suffer from those mild or moderate disabilities. Accordingly, if there are 1,000 students within that jurisdiction, using the \$250 suggestion, that would be a quarter of a million dollars that would be available for dealing with students with mild and moderate disabilities.

It is true, Mr. Speaker, that we do deal with severe disabilities a bit differently. Our \$8,910 is done on the basis of being identified by the school boards, and we do fund at the greater rate over and above the basic instruction grant.

2:00

MR. LOUGHEED: Thank you, Mr. Speaker. My supplementary question also to the Minister of Education: are any provisions going to be made for those jurisdictions that have a disproportionate number of students with mild and moderate disabilities?

MR. MAR: Mr. Speaker, this issue raised by the member I think is one of concern, and as a matter of course we do continually review the manner in which we fund students with disabilities. The funding framework as it exists now was created with local needs in mind, and school boards did want flexibility to deal with the needs that may be different in each school within a jurisdiction. Accordingly, we do suggest that the boards pool their resources in order to support special education and allocate it to different schools depending on the need. It all comes back, in my strong opinion, to local boards recognizing their own needs within the schools that they govern.

MR. LOUGHEED: Thank you, Mr. Speaker. To the same minister: while we're taking care of students with disabilities, what provisions are being made for students considered gifted and talented?

MR. MAR: Mr. Speaker, when we speak of children with special needs, to us the phrase "special needs" includes children with mild and moderate disabilities. It also includes students with severe disabilities, but it further includes those that are gifted and talented. So the funding for gifted and talented students is also incorporated into the basic instruction grant rate for all students, as it is with students with mild and moderate disabilities. Boards again seek the most amount of flexibility to deal with the particular needs of their jurisdiction.

THE SPEAKER: The hon. Member for Edmonton-Glenora, followed by the hon. Member for Calgary-Mountain View.

Loans and Loan Guarantees

MR. SAPERS: Thank you, Mr. Speaker. The Provincial Treasurer has repeatedly claimed that his government does not get involved in the monitoring of loan guarantees to companies such as Skimmer Oil. Now, earlier this week in question period the Treasurer said in response to questions about the Skimmer Oil loans from ATB, "There has been no direct involvement either with this Treasurer or this government in this particular loan guarantee or others." This must mean, therefore, that the Treasurer and his government are not involved in monitoring the loan guarantees to economic projects that are the responsibility in fact of the Treasurer. So my questions are for the Treasurer. If the Treasurer doesn't have any involvement with loan guarantees, then what exactly is the responsibility and duty of the loans and guarantees division of his Treasury Department, which costs taxpayers over \$600,000 this year and is supposed to administer all of the remaining loans, loan guarantees, and all of their financial backstopping to private-sector companies?

THE SPEAKER: Provincial Treasurer, later this afternoon one of the estimates up for review in committee is the Provincial Treasurer's department, so I hope we're not anticipating something that may be here later on this afternoon.

MR. DAY: Mr. Speaker, because this claim is in the process of being recovered, there could be some sub judice requirements here that I would look to . . . [interjection] I'll wait till the opposition leader is finished shrieking, and then I'll continue. Are you done?

THE SPEAKER: Well, we'll have conversation through the Chair.

Opposition House Leader, please proceed with your second question. We got a response.

MR. SAPERS: Thanks. I was waiting for the answer to the first question, but if he chooses to hide, Mr. Speaker, I'd be happy to ask the second question.

THE SPEAKER: Well, maybe we should proceed to your third question, because in the agreement the hon. Opposition House Leader has signed, there is no preamble. [interjections] Question, hon. member. Please proceed. Question.

MR. SAPERS: Thanks, Mr. Speaker, and we'll have a point of order right after question period on that.

If the Treasurer isn't monitoring loan guarantees, then what is the point of having a loans and guarantees procedures manual, a guarantee implementation procedures manual, all of which have

been outlined in his department's freedom of information directory?

MR. DAY: I won't assume, Mr. Speaker, that it's a lack of some basic study that has led to the confusion in the question, and I'll again table or send to the member the policy related to loans and loan guarantees. The number one item related to this government's policy on loans and loan guarantees from the government: there are no more. That is no longer a policy of this government. That was a clear commitment in 1993. We're protected by the business limitation Act, which limits the government's ability to even do that.

As the saga continues day after day after day because there is so much good news going on in the Alberta economy, what the Liberals continue to do is take loan and loan guarantee provisions from before 1993 and drag them up. They're all in public accounts; they're listed in the heritage fund listings. This government clearly takes care and monitors concerns related to loans and loan . . . [interjections] You know I listened carefully to him. It was difficult. I didn't interrupt him once. He continues to shriek.

I'll continue my response, Mr. Speaker. Loans and loan guarantees of this government that were previously made, pre-1993, are all provided for and enunciated and articulated very clearly and monitored by this government. What the member of the opposition is trying to do is bring in the connection with the Treasury Branches and make it look like we interfere in loans of the Treasury Branches. I don't know if he's being deliberately mischievous or if he's just misled. This government does not get involved in okaying or saying no to loans from Treasury Branches. In situations where there were loan guarantees first provided and then a company went shopping and wound up in the Treasury Branch, those loan guarantee provisions are still in place. The protections are still in place. There's a very clear difference, and the opposition member knows better.

MR. SAPERS: Thank you, Mr. Speaker. Where are my notes? I've lost my notes. What a surprise.

Mr. Speaker, based on the Treasurer's last answer, I'm wondering therefore if the Treasurer can tell Albertans whether or not the guarantees provided by the government to private-sector banks such as the Royal Bank or CIBC and others are monitored, that what he just said means that the guarantees on ATB loans are not subject to the same monitoring process. Will he confirm that that's what he just said?

MR. DAY: The question was: will I confirm that that's what I just said? I'll send you the *Hansard* tomorrow, so you can read it and see what I said.

THE SPEAKER: The hon. Member for Calgary-Mountain View, followed by the hon. Member for Edmonton-Ellerslie.

Municipal Taxation

MR. HLADY: Thank you, Mr. Speaker. My questions are to the Minister of Municipal Affairs. Some municipalities . . . [interjections]

THE SPEAKER: Okay. The hon. Member for Calgary-Mountain View has the floor. If it's a requirement this afternoon for individual members to go out and enjoy the beautiful grounds of the Assembly, it's not a bad idea on a warm afternoon.

The hon. Member for Calgary-Mountain View.

MR. HLADY: Thank you, Mr. Speaker. Some municipalities are questioning the move to market value assessment. Could the minister please explain how the education tax factors into this tax assessment formula?

MS EVANS: Mr. Speaker, first of all, with the setting of the education mill rate at 7.02, which was a reduction from the previous year, an assessment is developed so that each municipality based on the average is making a contribution again based on wealth and growth in construction. The education funding, it should be pointed out, this year and in the last three years is a strong attempt to give equitable funding to all the schools, boards, and all the school students in this province. It is contemplating that each community will pay an affordable amount.

MR. HLADY: My only supplemental, Mr. Speaker, is: since many Albertans need clarification on this information, is the minister willing to give her phone number to all Albertans?

MS EVANS: Mr. Speaker, the answer is yes. Could I clarify that? My phone number is the RITE government number, 310-0000. Entering 422-7125 will get Albertans the answer they require on their assessments.

2:10 Special Waste Treatment Centre

MS CARLSON: Mr. Speaker, the results are in on the wild game study around the Swan Hills treatment centre. The public health officer is recommending that within a 30 kilometre radius of Swan Hills no one eat organ meat or fat, that children and pregnant women not eat any game, and that other adults be limited to one or two meals per month. As a result, the Minister of Environmental Protection finally acknowledges that there is a serious problem. To the Minister of Health: has the minister any idea how long this public health advisory may have to remain in place, and how will your department enforce it?

MR. JONSON: Well, Mr. Speaker, the preliminary results with respect to what I think was a very responsible initiative and measure taken by the Alberta government through Alberta public health are in. The results were released today along with a briefing being provided. The advisory has been modified, a slight modification, I would say, downward in terms of the control and the advice. Nevertheless, it is something that we think is still providing a significant margin of safety for the public, which is this government's concern always and its responsibility.

There is further testing to be done with respect to the very significant number of individuals who've come forward to be part of the blood testing program. We want that testing to be done, because that will be very important to the overall review that is being done. I would anticipate, Mr. Speaker, that the process would be completed in the neighbourhood of another two months.

MS CARLSON: To the Minister of Environmental Protection: why did the minister not expand the monitoring program for the Swan Hills facility two years ago when he knew that the very high level of toxins were found in voles near the plant?

MR. LUND: Mr. Speaker, it's true that there was an elevated level in the voles near the plant, but those are residents of the plant, and as we get this new information, it's exactly the reason that we are expanding the monitoring. Over time we have been doing a number of things at that location including charging the

company, more recently on five different counts. The other orders that have gone out have required the company to change handling practices on-site. We've required more monitoring near the site. Now that we have these results from these animals, we have decided that we should expand that monitoring and make sure that, in fact, there isn't an elevating level of contaminants in the food chain.

MS CARLSON: Mr. Speaker, increased monitoring isn't solving the problem. As this land and the vegetation on it is contaminated, what is the minister going to do about it and who's going to pay?

MR. LUND: Mr. Speaker, we're not jumping to conclusions. It seems that that's what the hon. member has done. The fact is that deer do move around, so we're not sure where they picked up the contamination. We know, as well, that these dioxins and furans accumulate in the system of any organism. So where exactly they picked it up, how long they have been exposed: all of those things have a bearing on the level that would be found in the liver, first of all, then in fat, then in the muscle. As we get the information from our expanded monitoring, we believe we will be able to more clearly figure out whether in fact there are currently any emissions that are causing a problem or if it is something that's associated with the incidents that have occurred at the plant.

MR. JONSON: Might I just briefly supplement, Mr. Speaker? I think it might be beneficial to all hon. members but particularly the questioner if they look through the rather extensive report and analysis that has been provided and announced today, and I would like to file four copies of the analysis with the Assembly.

THE SPEAKER: The hon. Member for Bonnyville-Cold Lake, followed by the hon. Member for Edmonton-Norwood.

Crop Damage Compensation

MR. DUCHARME: Thank you, Mr. Speaker. Last week I questioned the Minister of Agriculture, Food and Rural Development in regards to compensation for farmers that experienced crop damage or loss due to wildlife and last fall's weather. At that time he indicated that farmers with crop insurance could apply for compensation under the unharvested acreage provision in crop insurance. To the same minister: to date how many claims against crop insurance has he received due to wildlife and weather disasters?

MR. STELMACH: Mr. Speaker, this year is one of the worst on record. To date we have received over 1,100 claims under the snowed-under provision, over 400 with respect to wildlife compensation. Perhaps this is an opportunity to advise everyone that those farmers that don't have crop insurance can still apply for the wildlife compensation program.

MR. DUCHARME: Mr. Speaker, to the same minister: keeping in mind that time is of the essence in removing these crops so that spring seeding can commence, what is Agriculture Financial Services doing to help the farmers deal with their claims in an efficient and speedy manner?

MR. STELMACH: Mr. Speaker, we've mobilized a number of adjusters from southern Alberta and brought them to central and northern Alberta to deal with the number of claims. We've

allowed them and informed them to make decisions on the spot. If a farmer feels that his crop is worthless and the adjuster agrees, then that adjuster will write off the crop, and if the farmer destroys that crop, then by Friday of that week we'll ensure that the farmer will have a cheque in the mail to cover those losses. But the crop must be destroyed.

MR. DUCHARME: Thank you, Mr. Speaker. Can the minister tell us how crop insurance determines the value of a crop damaged from being snowed under until spring?

MR. STELMACH: Mr. Speaker, the value of the crop is determined by both determining the volume, quantity, and also the quality. We found that because a lot of the crop has laid over the winter, there is a substantial loss in quality, in grade, and as a result, farmers should contact their insurance office to ensure that there may be still a possibility of claim. Even though he might have the quantity of crop, the quality may be so poor that it'll drive down his dollars for that acre coverage.

THE SPEAKER: The hon. Member for Edmonton-Norwood, followed by the hon. Member for Highwood.

Child Prostitution

MS OLSEN: Thank you, Mr. Speaker. The Handbook for Action against Prostitution of Youth in Calgary, tabled in February of 1996, recommended that the Alberta Child Welfare Act be amended to include prostitution as a definition of child sex abuse. The government has repeatedly assured us that they would act on this recommendation, but Albertans have only seen more committees and more reports. To the Minister of Family and Social Services: does the government track how many teenagers in Alberta have been abused, sexually assaulted, or injured through prostitution activities?

2:20

DR. OBERG: Mr. Speaker, the hon. member has asked several questions. First of all, when it comes to tracking juvenile prostitution, it is a very serious job and it is a very difficult matter. We are doing the best we can to track juvenile prostitution.

With regard to the first part of her question, there will be a Bill coming forward this session that will be dealing with juvenile prostitution, and indeed, Mr. Speaker, if passed, what will be happening is that the definition of child abuse will be expanded to include the term juvenile prostitution. I would invite the hon. Member for Calgary-Fish Creek to supplement my answer.

MRS. FORSYTH: Thank you, Mr. Speaker. The hon. Member for Edmonton-Norwood has brought up some interesting questions. The tracking system that we have recommended in our report has to do with the police in tracking juvenile prostitution . . .

THE SPEAKER: Hon. member, thank you very much, but if the report has been published, the hon. member who raised the question can read the report.

MS OLSEN: To the same minister: if this is to be introduced this session, then how soon can we get this Act so we can respond and react to it?

DR. OBERG: Mr. Speaker, one of the tasks of the minister is an attempt to bring forward legislation as quickly as possible. Just to give a moment to tell the hon. member, who is also a new member, what is happening and the process that is used. Where the Bill is right now is we had an unscheduled meeting of the standing policy committee this week to approve the changes to the Child Welfare Act. What will then happen is that the process has to go to cabinet; it has to go to caucus; it has to go to leg. review. The only thing that I can tell the member is that we are working absolutely as fast as possible to get this Bill before the Legislative Assembly.

MS OLSEN: Thank you. My final question to the same minister: what other recommendations from the Handbook for Action will be acted upon this year?

DR. OBERG: Mr. Speaker, in the Handbook for Action, that the hon. Member for Calgary-Fish Creek did such a great job on, there were numerous recommendations put forward. A lot of these caused the Ministry of Health, the Ministry of Justice, the minister of social services to act upon these recommendations. It was thought that by far the best way and the quickest way that we could get to the concerns that the hon. member is alluding to in her question was by adding quite a simple phrase, and that is by adding "and juvenile prostitution" to the definition of child abuse.

In consultation with the hon. Member for Calgary-Fish Creek this will be a first in North America. It seems to be such a trivial term to put in, but this will enable the police to arrest people for child abuse who are - how do I say this? - trying to utilize children for prostitution purposes. I would really urge that when this Bill comes forward, the opposition vote in favour of this Bill.

THE SPEAKER: The hon. Member for Highwood, followed by the hon. Member for Edmonton-Mill Woods.

High River Flood Control

MR. TANNAS: Thank you, Mr. Speaker. You and other members of this Assembly will recall the spring floods in southwest Alberta in June of 1995. They brought devastation and losses similar to that experienced this year in Peace River and Fort McMurray. In 1995 millions of dollars of damage occurred along the Highwood River, particularly in the town of High River. My questions today are to the Minister of Environmental Protection. What action has your department taken to provide flood abatement protection for the residents of High River?

MR. LUND: Mr. Speaker, there have been a number of studies done over time by the department and by consultants looking at ways that possibly the town of High River could be protected to some extent from the dangers of flooding. The department currently has concluded looking at those studies and came up with projects that would cost anywhere from about \$4.3 million to \$7.5 million.

Now, as part of the request for funding from the town to the department, it's necessary for an economic study to be done, and the town is currently doing that study. It's my understanding that it will be coming to the town council along about the end of May, so we will then be able to make some decisions as to what might be done.

MR. TANNAS: Mr. Speaker, again to the Minister of Environmental Protection: could the minister please clarify whether his

department or some other department of government is responsible to take action? Who's in charge, Mr. Minister?

MR. LUND: Mr. Speaker, as a result of a site visit with the Minister of Public Works, Supply and Services, the decision was made that Environmental Protection would take the lead role in this particular situation.

MR. TANNAS: Mr. Speaker, again to the Minister of Environmental Protection: what commitment of financial support have you given to the town of High River?

MR. LUND: Mr. Speaker, because we're not sure of the results of the economic study, there have been no commitments at this point. Of course if in fact we go ahead with a project, it would be on a cost-shared basis, but the town would be responsible to purchase the land that may be necessary for any construction.

THE SPEAKER: The hon. Member for Edmonton-Mill Woods, followed by the hon. Member for Livingstone-Macleod.

Long-term Care

DR. MASSEY: Thank you, Mr. Speaker. "Mr. Klein, we are heartbroken." So writes Mrs. Adeline Hirschfeld, a senior living in Millwoods Manor, in a letter to the Premier. Twenty-five long-term care beds in the facility attached to the apartment complex where she lives are going to be closed. This means that she will be separated from her husband, who needs such care. My questions are to the Minister of Health. How do you answer Adeline when she asks, "Is it your government's policy to break up families?"

MR. JONSON: Mr. Speaker, the hon. member is referring to an individual case, if my recollection is correct as to the name that the person has used. The Capital health authority is making changes in terms of the use of facilities, the upgrading of facilities, and rearranging their long-term care system, which I think has functioned very well over the last number of years in the most efficient manner and effective manner that they can achieve.

It's my understanding that there are two things to be considered here, Mr. Speaker. One is that there are 25 beds being closed or changed in terms of their use in the Mill Woods facility. There will be also an expansion in terms of the overall capacity, though, of long-term care beds in the Capital health region. Thirty or thirty-plus additional beds will be opened.

It's my further understanding that the regional health authority has responded relative to this situation and, as I understand it, has indicated to the family that they will endeavour to relocate this individual to a more suitable location in terms of family contact as soon as possible.

DR. MASSEY: Thank you, Mr. Speaker. Is Adeline's confidence in the government misplaced when she writes, "Certainly if you knew about it, you would do something"? She hasn't received a response from the government.

MR. JONSON: Well, I think, Mr. Speaker, that in my first answer to the hon. member, again if we have the correct case that they're referring to, I indicated in the Assembly that we have followed up with the Capital health authority. I think it is reasonable for the minister through his staff to ascertain the facts of the case before preparing and providing a reply, which we always endeavour to do.

2:30

Members' Statements

THE SPEAKER: We have three members' statements today. First of all, the hon. Member for Calgary-Fort, followed by the hon. Member for Edmonton-Rutherford, and then the hon. Member for Lacombe-Stettler.

Sikh Community Celebration

MR. CAO: Mr. Speaker, two weekends ago I was invited to attend a cultural function held at the Edmonton Jubilee Auditorium. Among the distinguished guests were the mayor of Edmonton, the hon. minister of technology and research of Alberta, a few MLAs, and an MP. This cultural function is called Vaisakhi. It is the main annual celebration for Canadians of Sikh heritage. Vaisakhi is a combined celebration of thanksgiving, harvest festival, and new year, originating in the province of Punjab in India.

The celebration event was all done by volunteers. The highlights consisted of hundreds of participants, young and old, in their splendid traditional costumes, rich in vibrant colours, performing energetic folk dances in step with exciting musical tunes. The celebration also included achievement awards given to many young people for their excellent performance in the fields of academic studies, arts, and sport.

I learned from the organizer that 1997 is the centennial anniversary of the arrival of people from Punjab in Canada. The first Sikh came to Canada on the occasion of Queen Victoria's coronation. The people from Punjab are famous as brave soldiers and hardworking farmers. As Canadians they started out successfully in farming and the forestry business in British Columbia. In recent times Canadians with Sikh heritage have gone beyond their starting point into high levels of achievement in the academic, economic, and political fields, participating fully in the Canadian way of life.

THE SPEAKER: The hon. Member for Edmonton-Rutherford.

Health Care System

MR. WICKMAN: Thank you, Mr. Speaker. I want to take this opportunity to talk about health care from a personal point of view and talk about the so-called responsiveness of the current health care system. Most of you will recall the fall I took during the election. I was sent to the University hospital by ambulance a couple of days later when I realized it was quite serious. My doctor at the time thought it was an acute appendicitis attack because of the blood build-up in my stomach and a great deal of pain. He made that assumption, and I went on that basis.

In the emergency I did not receive any so-called quick treatment, no quicker than anybody else. I didn't receive anything that was unusually hassle free. I waited in emergency for several hours like everybody else, waiting my turn. I spent three days in the hospital. I got three pints of blood, and I was sent home, which was fine with me. A few days later I started to develop back pain. It was an excruciating back pain that got worse and worse. I insisted that something else was wrong. Finally, I convinced medical authorities to do something, an MRI, something. They gave me a CAT scan, discovered a crack in the lower part of the back. Since that's started to mend the pain has eased off considerably. But while doing the CAT scan, they determined at the same time that I had a problem with my bladder. It wasn't emptying properly. I've been on antibiotics for that for the last couple of months. I'm on intravenous right

now. But the antibiotics I was taking have caused a bowel problem.

The short of the story is – and the last hospital I was at eight times in emergency over the weekend for my IV. I left a stool specimen. Four days later the results come back. They say no bug, no infection in that particular area. They kind of closed the file: that's it; you're on your own; despite severe cramps, despite severe diarrhea, being a paraplegic, you're on your own. The health care system shuns people; it does not encompass people.

The unfortunate part is – and I do sound angry, and I have a right to be angry, because I deserve better. Every Albertan deserves better. It's unfortunate that the legacy this government will leave to my grandchildren will be the legacy of a health care system in shambles.

THE SPEAKER: The hon. Member for Lacombe-Stettler.

Miss Canadian Universe

MRS. GORDON: Mr. Speaker, it is with a great deal of pleasure that I rise here today to salute a young woman that I've known for a number of years from the Lacombe-Stettler constituency who on April 3, 1997, was crowned Miss Canadian Universe in the Edmonton Convention Centre.

Miss Carmen Kempt is an 18-year-old Lacombe native who has demonstrated her determination and perseverance throughout her educational studies at Lacombe composite high school by earning Rutherford scholarships two years consecutively as well as the Alberta Teachers' Association scholarship in 1996. As well Miss Kempt has been involved with competitive dancing for the past 13 years. She has attained several gold medals for both solo and group dancing and participates in various competitions in central Alberta as well as in Edmonton.

Miss Kempt aspired to compete in the Miss Red Deer pageant, and on her second attempt was crowned Miss Teen Red Deer. This was her stepping stone to her recent reign as Miss Canadian Universe.

Miss Kempt attended Red Deer College this past year and completed the first year of the University of Calgary English degree program. Her goal is to obtain a degree that will enable her to fulfill her life-long dream of becoming a television news broadcaster.

I am sure that with this young lady's perseverance and her commitment she will accomplish these goals. Miss Kempt exudes confidence, poise, and beauty, and she will indeed represent Alberta and Canada well in Miami, Florida, tomorrow night, May 16, 1997.

Carmen, on behalf of myself as your MLA, the government of Alberta, and all Members of this Legislative Assembly, I'd like to extend our congratulations and best wishes. Carmen, I am very proud and know that you will represent not only Alberta but Canada well. Good luck, have fun, and bring home that crown.

head: Projected Government Business

MR. SAPERS: Pursuant to Standing Orders I'd appreciate it if the Government House Leader would provide the Assembly with details of projected government business for next week.

MR. HAVELOCK: Well, Mr. Speaker, I would be delighted to do that. On Tuesday in the afternoon we will be discussing Government Motion 18, the Ombudsman Search Committee, and second reading concerning Bill 13. In the evening we have

Committee of Supply scheduled for the final day of the main estimates; that's day 20. We will look at second reading on Bill 11 and then Committee of the Whole on Bills 12, 8, and 1.

On the evening of the 21st we will be in Committee of Supply, lottery fund estimates, day 1 of one, and hopefully we will revert to Introduction of Bills, Bill 14, the Appropriation Act, 1997, to be introduced by the Provincial Treasurer.

Thursday, May 22, during the afternoon, second reading of Bill 14, the Appropriation Act, 1997; Committee of the Whole on Bills 8, 2, and 1; and second reading of the Appropriation Act if necessary.

THE SPEAKER: Hon. members, we have notification of two Standing Order 40s. We'll proceed to those as soon as we deal with the points of order that were also raised today.

Opposition House Leader, you rose on a point of order.

Point of Order Sub Judice Rule

MR. SAPERS: Yes. Thank you, Mr. Speaker. Just one point of order this afternoon as well. It is really to do with your ruling during question period. So my citation is actually your intervention during question period regarding the Ethics Commissioner. Of course you cautioned the Assembly that legislation would prohibit the Assembly from dealing with a matter that had been referred to the Ethics Commissioner.

Now, in the question and answer, question from my colleague for Edmonton-Riverview, answer provided by the hon. Minister for Family and Social Services, who's out of the cast today – he answered the second supplemental question, which came of course after your intervention, and didn't answer the question, which of course wouldn't be the subject of my point of order because that's not unusual, but instead immediately referred to the Ethics Commissioner again. That seemed to me to contradict your intervention and, in fact, really reinforces the difficulty we all face when one person holds both offices, the Ethics Commissioner and the Privacy Commissioner, because the question was about the conflicts of interest legislation, which of course is the subject matter of the office of the Privacy Commissioner, not the Ethics Commissioner.

2:40

So I understand the confusion. It's just another argument why those two offices of course should be separated. But I would hope that the hon. minister would now answer the question that was asked, because of course his question violated your caution, and that wouldn't be appropriate.

THE SPEAKER: On the point of order.

DR. OBERG: Yes. Thank you, Mr. Speaker. I would certainly withdraw "the Ethics Commissioner" and replace it with Privacy and Information Commissioner.

MR. HAVELOCK: Very briefly, Mr. Speaker. I'm sure that had you felt that the caution which you indicated had been violated, you would have intervened. So I'm quite happy with the way things went, and I don't believe there was a point of order.

THE SPEAKER: The purported point of order raised by the Opposition House Leader had to do with the intervention by the Chair dealing with conflicts of interest. There's absolutely no doubt at all that the legislation says:

where a matter has been referred to the Ethics Commissioner . . . [then in essence] neither the Legislative Assembly nor a committee of the Assembly shall inquire into the matter.

The exact words by the Minister of Family and Social Services are the following: "Mr. Speaker, I wrote to the Ethics Commissioner. I wrote in his responsibility as the Privacy Commissioner."

So the point raised by the Opposition House Leader about the clarification is a valid one. The point about raising a debate, though, as to why the two are connected is not a legitimate point of order for this afternoon. But it seems to be cleared up anyway with respect to this. There's absolutely no doubt at all that if the hon. minister would have clearly identified it first or if at least the Speaker had anticipated that it was the Privacy Commissioner, there would not have been an intervention by the Speaker in that regard.

I take it, hon. Opposition House Leader, that the second purported point of order has been withdrawn?

MR. SAPERS: Stricken, Mr. Speaker.

Speaker's Ruling **Explanation of Speaker's Ruling**

THE SPEAKER: The Chair will make a comment though. The hon. Opposition House Leader rose on a point of order when he was led to believe that the Chair had said that he had lost a supplemental question. Judging by the reaction from the members on a certain side of the House, they all believed that too. When the Chair then recognized the hon. Opposition House Leader, then there was surprise the other way.

The only point the Chair wants to make is this. If all hon. members would be quiet, they would hear exactly what has been said. Oftentimes because of the level of exchanges in this House, there are misinterpretations. This is what the Chair said: "Well, maybe we should proceed to your third question." At no time did the Chair ever say that the Opposition House Leader was going to lose a question. The bottom line: this totally unnecessary interjection by the Chair at this point in time is just to repeat what we all thought about yesterday. Keep it down. We all listen. We move forward. Love and harmony in the air. [interjection] Yeah. Thank you.

head: **Motions under Standing Order 40** **School Reach Provincial Championship**

THE SPEAKER: Hon. Member for Spruce Grove-Sturgeon-St. Albert, you have a Standing Order 40 that you want to deal with.

Mrs. Soetaert:

Be it resolved that this Assembly recognize and congratulate the Leduc composite high school Reach team for winning the provincial championship recently and wish them success this weekend at the nationals.

MRS. SOETAERT: Well, thank you, Mr. Speaker. I believe it's timely that this Legislature pass the Standing Order 40 motion to congratulate the Leduc composite high school team, because the Reach team from the Leduc composite high school - Evan Saumer, Colin MacIntyre, Taeed Quddusi, Joanne Brownlee, Danny Jackson, and Neil Jackie - will be competing this weekend in Vancouver at the nationals. That's why I think it's urgent that we address this today.

THE SPEAKER: May we have unanimous consent to proceed with the motion as proposed by the hon. Member for Spruce Grove-Sturgeon-St. Albert?

SOME HON. MEMBERS: Agreed.

THE SPEAKER: Opposed?

SOME HON. MEMBERS: No.

THE SPEAKER: Well, it's defeated.

The hon. Member for Calgary-*Buffalo*.

Nurses Week

Mr. Dickson:

Be it resolved that this Assembly recognize that this week is the annual celebration of Nurses Week in Alberta.

MR. DICKSON: Thanks very much, Mr. Speaker. Obviously, to do it any later than this date would mean it would be out of time and it would be stale.

I'd just remind members that the Alberta Association of Registered Nurses has a membership of 22,600 nurses; the Professional Council of Licensed Practical Nurses, 4,158 members. This is a large and important part of our health care system. I think that it's timely, and I think it's important that we take a few moments for legislators and the Legislative Assembly to recognize the hugely important contribution played by nurses in this province and the extraordinary kind of care they provide Albertans and their families.

Thanks, Mr. Speaker.

THE SPEAKER: Might we have unanimous consent to proceed with the motion as proposed by the hon. Member for Calgary-*Buffalo*?

SOME HON. MEMBERS: Agreed.

THE SPEAKER: Opposed?

SOME HON. MEMBERS: No.

THE SPEAKER: It's defeated as well.

head: **Orders of the Day**

head: **Committee of Supply**

[Mr. Tannas in the Chair]

THE CHAIRMAN: I'd call the Committee of Supply to order. For the benefit of those in the gallery this is the less formal session of the Legislature.

Before going on - just so we have agreement with the House leaders - this is, again, 20 minutes, 20 minutes, five minutes. So with that in mind we'll begin this afternoon's consideration of these estimates by asking the Provincial Treasurer to speak to us.

MRS. FRITZ: Mr. Chairman, I would ask for unanimous consent to introduce some students in the gallery perhaps before we begin.

THE CHAIRMAN: May we have unanimous consent to revert to Introduction of Guests?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

head: **Introduction of Guests**
2:50 (reversion)

THE CHAIRMAN: The hon. Member for Calgary-Cross.

MRS. FRITZ: Thank you, Mr. Chairman. I'm pleased today to introduce to you and to members of the Legislature 35 students who have traveled from Calgary to visit the Legislature. The students attend St. Rose of Lima school and are accompanied by their teacher Mr. Charles and a dear friend, Mr. Lyall. I'd ask that they rise and receive the warm welcome of the Assembly.

head: **Main Estimates 1997-98**

Treasury

THE CHAIRMAN: We'll now call on the Provincial Treasurer to begin this afternoon's deliberations.

MR. DAY: Well, Mr. Chairman, as we continue to review my ministry's 1997-98 budget estimates, I thought I'd try and address a number of the questions that were raised at the May 6 subcommittee of supply meeting. I did address quite a few of those questions at that time, and there are still more which we're working on, trying to get some detail.

The members for Edmonton-Mill Creek and Edmonton-Glenora actually made a lot of comments about the performance measures that are used by this ministry. I appreciate the fact they took the time to examine the ministry's activities in such detail, or at least details that were brought to their attention. I think it's certainly obvious to me and should be obvious to members opposite because it's talked about across Canada that Alberta is breaking new ground in Canada when it comes to performance measures.

As always, I look to ways of improving even what we've put out there. It's relatively a new process, having these performance measures in place, having them very public, and having that level of openness and accountability whereby they have to be responded to, so if there are observations and suggestions from the opposition members that can make this an even better process that we can integrate into our own departmental measurements, then I'm more than happy to do that, and I welcome those comments. We don't have all the answers certainly, so any feedback that I can get will be helpful to me and helpful to the stakeholders.

On May 6 the Member for Edmonton-Mill Creek asked a number of questions with respect to program 1: how we measure the performance of the program and what the budget is by object of expenditure, et cetera. In asking that question, the member was asking that a certain service be provided; that is, that this minister and his officials get to work – to considerable work, I might add – to provide answers to those questions. Since you've asked us to measure the results of the service that we deliver, that is an administrative expenditure. It was taxpayers' dollars that were used, used fairly significantly, the time and expense to answer the questions. We are very open and accountable. Opposition members need to know that every time a question is asked, any number of officials are taken off urgent tasks that they are working on and they get to work, sometimes, quite honestly, into the late night hours, to dig out those answers because we don't want to appear to be reluctant. We don't want to appear to

be taking a lot of time in responding, so considerable administrative expense has gone to get that information. I've already done some of that, and officials in my department have done some of that. We'll be doing more on the questions.

We are spending taxpayers' dollars, so I would like to ask the question back: are we getting our money's worth? What did the member of the opposition, my Treasury critic, do with all the information that was given to him? As a matter of fact, what has he done with the, literally, reams of information and responses to questions that I had sent? Can he in all openness tell me how many hours he spends going over the reams of information gathered for him? That will help us to measure the efficacy of that service. So if he could please help me to measure the performance of my administration in that way, that would be appreciated: what was done with the information; what did he do with it?

I gave him information on manpower, on contracts, on hosting, broke it all down for him. What value is the taxpayer getting in that particular information? I say sincerely to help me with that so that I can know if the many, many person-hours that went into gathering the information are in fact a good use of taxpayer dollars.

Given the amount of time and attention that is devoted to performance measures by members of the opposition – and I took some good advice from them, and I'll continue to do so – I'd like to table four copies of a document entitled Measuring Performance: A Reference Guide. I will table that now.

For those members who haven't read this particular document, it's a good one: September 1996, Measuring Performance: A Reference Guide. It should help clarify the link between performance measurement and business plans. There were some questions on that. I know there are a lot of publications that this government puts out in its effort to be open and accountable. Opposition members or the research people may have missed this document, so I will table that right now. It will help clarify that link. It'll help to provide insight into some of the issues that were raised at the May 6 subcommittee of supply meeting, including ministry performance reporting, analyzing measurement information, and benchmarking, all included in that particular document. I table that, and opposition members can certainly access it. It appears they may not have been able to do that or at least to have recognized the significance of that document, so I would refer them to it.

Also, I'd like to table four copies of the Government Accountability Act. This clearly spells out the linkage, again, between the business plans and the performance measures and the requirement for comparing the actual to desired results in both consolidated and ministry reports. It's a very concise guide here. This Act should serve as a reminder that we are serious in this government about the need to identify and report on the measures that affect this government's core business. This is in law. This isn't a whim in which we say one day, "Well, we'll do some of this performance measuring, and maybe we'll stick with it and maybe we won't." It's a Government Accountability Act. Again, to assist the Liberals in their research work – they may not have been able to come across this – in all sincerity I table this today, and with your help the quality of these measures should improve over time. I ask my Treasury critic if, between himself and the officials with whom he works and his research people, they will look at this and analyze it and give me their feedback on it.

The question on the subject of loans and loan guarantees is one of ongoing interest certainly to the opposition. Quite honestly,

because we've been very open and accountable in terms of tabling and making public all information related to our loans and our loan guarantees, that may be the reason I don't get in my constituency office constituents calling – very, very rarely – about specifics about those loans and loan guarantees. I have a very active constituency and an active constituency office. People in Red Deer are very quick to call when they have concerns. They don't waste any time. They pick up the phone, and they either phone my office or call me if I'm up here.

In the area of loans and loan guarantees and the specifics that are being asked for by members of the opposition, I rarely get calls. I used to get a lot of calls before the government had in place this clear policy that we are out of that business. Before that, the calls used to say: why are you in that business of loans and loan guarantees? Now we're out of the business. We have a business Limitations Act, which prohibits us from getting in that business, and I rarely get calls.

I'm somewhat fascinated by the fact that opposition members raise questions about these items, which are all publicly documented and audited by the Auditor General daily, but as always, I continue to be a servant to the members of the opposition in terms of trying to meet their every need and every inquisitive gesture. I'd like to say that not only do we table these documents and account for them very carefully and with the scrutiny of the Auditor General, but we actually do look for opportunities to exit these loans and loan guarantees in a way that can redeem the most value for the Alberta taxpayer. That's consistent with our commitment to get out of the business of being in business. I can assure members, however, that it's done in a manner that is responsible, and we look carefully at every individual situation. Again, as indicated in the Treasury business plan, our objective is to achieve full book value wherever possible.

The Member for Edmonton-Mill Creek also raised a number of questions about a dozen or so loan guarantees. I would refer him directly to page 46 of the 1995-96 public accounts, volume 1. Schedule 15 provides details on the various government guarantees and indemnities. Also, the 1996-97 public accounts will be released in the coming months for further detail on those. Again, I'm not aware of another government that is as open as this government on all issues, including these types.

3:00

With respect to the heritage savings trust fund and liability management, the February budget includes what people in the accounting world have said is unprecedented detail about our liability management program and the rationale for our approach. These are members of the accounting community; these are not legislators, though we feel very good about our degree of reporting. We are told that we have unprecedented detail about the liability management program and the rationale for it. The heritage fund business plan, which was reviewed by a select committee of the Legislature, also lays out in considerable detail the new direction for the fund, including its relationship to the liability management program.

The Member for Edmonton-Mill Creek also questioned why the level of detail in Budget '97 is not precisely the same as in previous years and, I believe, made reference to page 12 of the Treasury business plan in A Better Way II. Since that document is not before the subcommittee of supply for review, I thought all the members might want to see what he's referring to. Therefore, I'm tabling four copies of that particular page. The change in detail reported in Budget '97 reflects the restructuring of some areas of the department as a result of eliminating the Deputy

Provincial Treasurer position, not the person but the position. The person, of course, is no longer with the government. I now table page 12 of the Treasury business plan in A Better Way II, that should go a considerable distance to answering that question.

Mr. Chairman, I certainly look forward to further comments and questions from members of the subcommittee so that we can continue to improve our service to Albertans, which includes to members of the opposition.

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

MR. ZWOZDESKY: Thank you, Mr. Chairman. I'm pleased to enter into this discussion with the Provincial Treasurer regarding his department's estimates for '97-98, the year in question.

I want to begin by responding to his questions, which sounded almost like a challenge, regarding how much time he and his department have spent putting together information pursuant to questions from myself and perhaps some of my colleagues on this side. I don't know if any colleagues on the government side asked any questions, but in relation to the ones that we asked, he was curious to know what it is that we do with that information, how much time we spend dissecting it, as it were, and whether or not there was value for taxpayers.

I want to remind the hon. Treasurer what the role of the opposition in this House is. It is to hold the government accountable for its actions, to hold it accountable especially for its expenditures, and to hold the government accountable in a very professional manner with regard to where it's taking the province of Alberta and the citizens who live here. I will go to no end to represent taxpayers in that regard. It's a difficult job, but we've been given it, so we're doing what we need to do.

What I find very curious about the question from the Treasurer in regard to his estimates, Mr. Chairman, is that yesterday in question period, as on previous occasions, he has virtually chastised me for asking questions then and said that there are other vehicles in the House available. Then when I use those other vehicles, he's chastising me yet again. So I'm not sure what the purpose behind that is.

We're trying to do this job in an honourable fashion. There have been no low blows from this member in regard to the Provincial Treasurer's performance nor with regard to his budget. It has been all in the interest of openness, transparency, and accountability, which I believe in and which I think the Treasurer is sincere in attempting to provide to Albertans. If there's one thing that people like to know, it's: where does the money go? That's what this debate is all about and that's what this forum is all about and that is what I will continue to do. In the past when we have dissected these estimates, be they appropriations or supplementary supply or some other form of expenditure, we have discovered a great deal of information that I think has helped this government in its pursuit of honesty and accountability, and we will continue to do that.

Specifically to the hon. Treasurer's question, we spend hours and hours and days and weeks trying to sort through the various projections and budgets and other statements of explanation that they have provided in their business plans so that we can come to an understanding of it and, in turn, answer the many questions that we're being asked at the constituency level. So during this time in the debate, I would hope that the Treasurer would accept that at face value. There is tremendous value in asking these questions at this time, and I'm hopeful that he will continue to cooperate as best he can to ensure that we do get that required level

of accountability. Taxpayers know that if you want to know what government is really up to, you must follow the money. That is what we're attempting to do here.

Now, let's get into the specifics of the debate this afternoon with regard to the Treasury estimates. Yes, I want to say thank you to the Treasurer for undertaking to provide some information. There's still a lot more to come, but in a general sense, I do want to say that I'm still looking for that explanation of the traditional three-year spending profile, which I don't think I had with me when I asked him about it last occasion, and that is with regard to his operating budget and the statutory payments, which once used to be profiled. I was just asking the question as to whether or not he might be able to provide us with that detail, which at one time was provided. It's sourced at page 12 of the Treasury business plan 1995-96 through to '97-98, and we were looking for the same thing this time around. There's a considerable expenditure here of several hundreds of millions of dollars, Mr. Chairman, and I was hoping that the Treasurer would still respond to that specific request that I had. That was, to recap: why is it that they used to do this three-year spending profile with some degree of detail, and this year they have chosen not to? Whatever the answer might be, I'd be appreciative of receiving it.

Similarly, as we move through here, I've already asked a number of questions, which I don't want to get into repeating. The Treasurer is quite right: there were a lot of questions asked. These are questions that we on the Liberal side as well as Albertans in a general sense want some specific answers to. Some of them pertain to his department; others pertain to other departments that he's still responsible for in the financial management planning area. Some of them have to do with revenue collection and rebates that are estimated here and departmental support services. So as soon as he's had a chance to look at that, I'll be very grateful to receive his responses.

I want to talk a little bit about the estimates on a goal-by-goal basis, if I could, Mr. Chairman. I note, for example, that under goal 1 of their major strategy, which is "to keep our province's finances in order," there's a "plan to balance [their] consolidated revenue" and expenses and then to begin further payment of the province's net debt "in accordance with the Balanced Budget and Debt Retirement Act." That is certainly a move that I and members on this side of the House support, and I'll be monitoring that to see exactly what that plan is going to yield by way of positive accomplishments. It's an area that I think is still confusing to people out in the public sector because there is some confusion with regard to gross debt versus net debt, subtraction of unfunded liabilities pensions, and to do with other aspects of the provincial Treasury. For example, the heritage trust fund: how much really is it worth? What portion of it is liquidable? That type of thing. So I'm very keenly interested in this plan to eradicate the debt and how soon they can do it.

As you know, from our side under a previous critic we had enunciated our plan called 2020, which showed a systematic, very well thought out, very well planned method of retiring the debt over a 23-year period or so. The government may well accomplish it ahead of that time, but we'll be watching that very closely to see how they're doing.

Their second goal, which is to ensure accountability to Albertans, is another one – well, I guess that's why we're in this debate now; isn't it? To ensure that accountability and to do our job. We're going to be watching the facilitation and full costing of services that they provide and allocate rather significant costs toward the outputs thereof, and I'm going to be watching what it

is that the Treasurer does specifically to that facilitation.

With regard, quickly, to their third goal, which is "fair, competitive, simple and efficient provincial tax . . . system," I'm still curious here why it is that we haven't heard any significant comment in estimates or elsewhere with regard to a proposal that we have had on the books for some time from our side to do with the reduction of the small business tax. It's a great idea worked out in conjunction with the business community, but I see no incentives here for small business, which is a disappointment.

So while we're commenting on things in the estimates, I think it's fair to also comment on things that should be in the estimates. I hope the Treasurer will take that under advisement and provide some explanation as to why he doesn't find it accommodatable within his budget and estimates this year.

Let me skip quickly ahead of myself here a little bit, if I might, Mr. Chairman. The bell has gone?

3:10

THE CHAIRMAN: You have 20 more minutes, hon. member. It's only the notification of the lapse of the first 20 minutes. The hon. member now has 20 minutes.

Edmonton-Mill Creek.

MR. ZWOZDESKY: Thank you, Mr. Chairman, for that clarification. That was a good use of time on the part of the Treasurer. I thank him for allowing me that extra nine minutes, because it will allow me a few more minutes to go into some of the specific questions that I need here, and it will still allow a little bit of time, I hope, for one or two of my colleagues to express their concerns.

I left off talking a little bit about the heritage savings trust fund, and I want to talk briefly about the heritage fund commercial investment division, Mr. Chairman. I will ask the Treasurer to provide and describe the standards that his department uses to evaluate active managers and outside consultants for the heritage fund commercial investment division and specifically the type of benchmarks they use and in fact what those benchmarks are that are used to make the evaluations that they arrive at. We know that these evaluation managers have an extremely important function to play with regard to the investment portfolio, which are under the control and jurisdiction of this government, so we'd like some answers in that regard.

[Mr. Shariff in the Chair]

Moving on. There are a number of funds which the government has a large degree of responsibility over, Mr. Chairman. There are assets in the billions of dollars, which the Treasury Department is responsible for. Over the last few weeks, as we know, we've heard the story of the Bre-X fiasco. I think Alberta taxpayers were very surprised to hear that we actually had some investments in it. Now, fortunately, we're told that the majority of those Bre-X investments yielded some profits. We're not sure if it was the Bre-X investments alone or if Bre-X is being lumped in with all the others, but the Treasurer has provided some information on that, and we're going to scrutinize that, pursuant to what I said earlier, to come up with some definitive and very specific answers for Alberta taxpayers to see what happened once the smoke has cleared.

However, I want to ask a question to the Treasurer with regard to the current rates of return that are being achieved from the following assets within the province's broader investment portfolio. We need to know, for example, what rates of return

are being achieved from the workers' compensation fund, the AMFC sinking fund, the endowment funds, pension funds, and consolidated cash investment trust fund. There are bonds, mortgages, equities, and real estate assets that we want some information on as well as what types of rates of return taxpayers can expect from those areas. So if he could provide us with some information regarding the projected targets or the benchmarks that have been established for the current year, that would be helpful. I did not find those targets and benchmarks in the estimates nor in the budget, and I'm hoping the Treasurer will undertake that.

Furthermore, I would like to ask if the Treasurer can provide more information on the use of derivative securities and new analytical investment opportunities to capitalize on any new developments in the market and to improve the ability to control the risk of existing investments. I think there's always a concern, Mr. Chairman, when we look at the types of investment vehicles that are available. Which ones are safe? Which ones do taxpayers feel confident in? Which ones indeed are they that the Treasurer and his department should or should not venture into? There must be some types of control mechanisms that are used. I'm not looking for an exhaustive answer here, just something that would allow us to follow the paper and, as I said earlier, to follow the money. Taxpayers have an interest to know where that money is going.

Let me pick up on that point further and ask what specific policies the Treasury Department has established in detailing the circumstances that are used by each investment fund and the extent and types of derivative circumstances that are used by each of the funds. If we could have just a little bit of information on the circumstances for each of the funds on a fund-by-fund basis. Perhaps there are some similarities there. Maybe they have one *carte blanche* one. I don't think so; I suspect that each one has its own particular method of being evaluated. We'd appreciate some comment on that.

Going back to the heritage fund for a moment, the other question is: will the investment manual that was prepared by Alberta Treasury and the Heritage Savings Trust Fund Operations Committee for the purposes of managing the assets of the heritage fund be made public as part of openness, accountability, and transparency and other meetings held under that description that are under the control of the Standing Committee on the Alberta Heritage Savings Trust Fund perhaps later this fall? I know that we'll be having our first meeting on the heritage savings trust fund in a few weeks, and I'm really looking forward to that, Mr. Chairman. I think we're both on it in fact. I'll have an opportunity to question that particular operation a little further. But it arises in estimates, which is why I'm raising it here.

Also, I would hope that the Treasurer might indicate what criteria he's established to assess risk and rate of return by his investment management division and whether there are any specific asset allocation levels that he's targeted which are specified for securities, bonds, mortgages, equities, and real estate that would somehow balance off the risk that the investment managers are taking versus the rate of return that we can expect. What sort of congruency might we expect there?

Also, if we could get a comment, Mr. Chairman, on the procedures that have been developed by Treasury to ensure that the valuations of privately traded investments and derivatives are carried out independently of those responsible for trading, that would be helpful. I would think that there must be some degree of caution which the Treasury Department exercises in this area, but to my knowledge we haven't been made privy and I don't

believe Albertans have been made privy to the specific procedures that Treasury has in place to make sure that there's no possibility of conflict there or invitation for difficulty either.

With regard to a comment arising out of some discussions in Public Accounts that surface here in estimates as well, I'm going to ask the Treasurer if an internal audit function has been established within Treasury to monitor compliance with investment policies and procedures, as recommended by the Auditor General. Again, I think this arises out of many of the concerns that we've expressed here during question period and elsewhere and that certainly Albertans continue to have with regard to the types of investments that Alberta is involved in. Just a brief comment with regard to what is in place in terms of the responses to the Auditor General's concerns would be much appreciated.

I want to move quickly back to the issue of some of the loans and loan guarantees. I hope this is the proper place to raise some of these more detailed questions. We've asked in a general sense, Mr. Chairman, about many of the loans and loan guarantees, some of them pertaining to the Treasury Branches and others just pertaining to guarantees that the government has with several other banks. But there's one that we still need some additional information on, and that is with regard to the Ridley Grain loan, which is approximately \$102 million at this stage. In the one minute remaining I would just like to ask if the Treasurer could provide some additional information on the provincial committee that has been established to examine the possible restructuring of this \$102 million debenture that the government holds in Ridley Grain. What is the nature of the proposals that have been submitted by the board on behalf of Ridley Grain and the Prince Rupert grain terminals? Is there now a provision for formal deferral of the interest payments on the loan as a result of the proposals being presented? So that would be most helpful.

[Mr. Tannas in the Chair]

I've been given the signal here, and I guess I will have to conclude my comments at this stage, with one final exception, and that has to do with long-term investments that surface under Loans, Advances, and Long-term Investments on page 73 of the budget, Mr. Treasurer. We have a lump there of other expenditures "under \$1 million each," and there's just a figure of \$1 million. I don't mean to nitpick, but it seems to me that we used to list in prior years everything that was over \$500,000 in value. So here when it reads "Other under \$1 million each," it could be one, it could be 10, it could be 2. We just don't know. I was hoping that he might provide the details specific to that \$1 million of projected expenditures for the year ended.

Thank you.

3:20

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

MS CARLSON: Thank you, Mr. Chairman. Given the way the committee structure has been set up this time to review budget estimates, this is my first opportunity to speak to the Treasury estimates. Unfortunately, we don't have very much time left, so I'll try to hurry through what I think are the most important comments I have to make, and they will all be addressed to the business plan.

MR. DAY: We've had more time than ever on this particular process.

MS CARLSON: There hasn't been much time, Mr. Treasurer. Because of duplicate scheduling of other committees, as you very well know, we haven't had the opportunity to debate them here. I think, Mr. Chairman, that that's something that needs to be put on the record, because it's very important to be pointed out to the people of this province. There is not more time for individual MLAs . . .

THE CHAIRMAN: Order. Can we not have the back-and-forth kind of conversation or debate. We are on the estimates debate, I realize.

Hon. Member for Edmonton-Ellerslie, through the Chair.

MS CARLSON: Well, then, given the short time period I have left now, I would like to at the end of my speaking time ask for unanimous consent to continue so I can get in all my questions.

Speaking to goal 1, where the Treasurer says that their first goal is "to keep our province's finances in order," then I would like to ask why this Treasurer and in fact previous Treasurers in this government have not thought that it's important or necessary to bring in interim budgets. In that fashion they could adjust for cyclical changes. If they were brought in quarterly, the same way as other corporations do it, Mr. Chairman, then we would have a fair and reasonable accounting and projections of the kinds of budget surpluses and the kinds of adjustments that could be made to accommodate program spending.

I think this is a very important point, because surely in the private sector, which is what this government likes to compare their performance to all the time, you would never tolerate a CEO or a treasurer of a company coming in at year-end with differences of 20 or 40 or 50 or 60 percent from their original projections and allow them to keep their jobs. It simply wouldn't happen. It shouldn't happen in the government either. Clearly, they've got the information at their fingertips to be able to bring forward interim budgets that are adjusted. Therefore, the people of the province and in fact this government would know what the plan is for the remainder of the year and wouldn't give the government access to surplus funds at the end of any budget year for any kind of giveaways that they think are necessary. In fact, they would have to plan their spending, which is what the people of the province have been asking for.

In goal 2 they talk about ensuring that government is accountable to Albertans. Well, one method of doing that is by answering the questions on the estimates and in debate in a full and succinct way. I think we've found, particularly in question period, over the nearly four years that I've been here that the questions don't get answered, that in fact the Treasurer will stand up and answer what he wants, not specifically the question. It would help him to meet this goal, goal 2, if he would be interested in doing that.

Goal 3, where they talk about "a fair, competitive, simple, and efficient provincial tax revenue system," is where I thought in this particular budget they would talk about tax reform, Mr. Chairman. It's too bad that it isn't here. There is no doubt that overall in this province we need an overhaul of the tax system. This process of adding on taxes and user fees as the government sees fit over the years and in accordance with whatever the current mandate is that they believe they have from the people has been hard on the people of this province and has put a state of unfair taxation on many people at many different levels, particularly people who are middle- to low-income earners. So I would have hoped that he would have had something that addressed serious

tax reform here. It is missing. I am hoping that the Treasurer will tell me why it is missing and when we can expect and anticipate that they'll be bringing forward some projections like that.

Goal 4, to "maximize investment returns," clearly must have been what they had in mind when they invested in Bre-X, Mr. Chairman. I'm wondering if the minister can address that issue for me. When you talk about maximizing investment returns, when you're talking about taxpayer funds, I think you have to be careful. You have to err on the side of caution. In fact, this was a series of questions in the House over the last couple of weeks. The Treasurer was asked by the Member for Edmonton-Mill Creek if he would table and release the guidelines on the types of investments that the government does invest in, particularly when you're talking about pension funds. The Treasurer agreed to do that. Perhaps he sent them to my colleague, but certainly they haven't been circulated yet. So I was hoping in fact that that information . . .

MR. DAY: A point of order, Mr. Chairman.

THE CHAIRMAN: The hon. Provincial Treasurer is rising on a point of order.

Point of Order Clarification

MR. DAY: Just a concern about a possible allegation – I don't think I heard it. But all of that information was indeed tabled here in the Assembly I think two days ago. It was all tabled here. I don't know if there was an allegation intended there. I just wanted to clarify that.

THE CHAIRMAN: I guess it's a point of clarification duly noted. The hon. Member for Edmonton-Ellerslie.

MS CARLSON: Yeah. It's not a point of order. I'll just carry on.

Debate Continued

MS CARLSON: So that's good then. The minister is saying that he tabled all of the information. I'd be interested in taking a look at those and in fact comparing them to the kind of data and information and guidelines that are available to the heritage savings trust fund, which is now administered by an investment strategy outside of the mandate of the government. I'm wondering why the Treasurer is not looking at that same kind of process for the Alberta pension funds. If he could comment on that, that would certainly help.

In speaking about those for a moment, the heritage fund and the pension funds, on page 271 in the Post-Election Update book there are Alberta's investment rates of return for the heritage fund. Why is this here? It's a good idea to have it here, but I'm wondering why it's placed in this precise fashion, because the heritage fund is administered outside of the government now. If this is here, then why don't we have one for the Alberta Pensions Administration Corporation, the Alberta Treasury Branches, or the Alberta Municipal Financing Corporation? I would think that if you have the appropriate rates of return for one, then you should have all of them. So I'm asking the minister to table that information and to provide it to us – I think it would be important to see that they're getting similar types of rates of return – and a listing of the kinds of things that Albertans' moneys are being invested in on a yearly basis.

Goal 6, where you talk about providing services through Alberta Treasury Branches. There is a real question on my mind on this goal. On the one hand, the minister stands up in this Assembly day in and day out and says that they have nothing to do with the operations of Alberta Treasury Branches. On the other hand, I see it clearly stated here in goal 6 that they do. In fact, they have a strategy, and they have performance measures and targets specifically for the Alberta Treasury Branches. In the strategy they say:

provide financial services available to all Albertans on sound banking and business principles with a focus on independent business, personal and agricultural lending through Alberta Treasury Branches.

Well, how can you be at arm's length and have nothing at all to do with it when it's a part of the strategy – in fact, it's goal 6 of this year's budget – to provide that money? In terms of performance measures and targets, they talk about “annual profitability.” Why would it be a measure in your budget if you didn't have any control over it? If it was outside of your mandate, then it shouldn't be here at all. So I'm wondering if you could comment on that and provide some clarification, because it seems to be a complete contradiction in terms when you stand up here and say that it's an arm's distance away, yet it's right in the book here that you do have some say over what goes on in there, that you do have some control over what goes on in there. In fact, we have seen what would to us be deemed to be interference over a number of circumstances in the past. So if you could clarify that for me, that would be very important.

With that, Mr. Chairman, I think I'm concluding my comments. I've got quite a few more to do with the actual budget itself but certainly more to discuss than in the couple of moments I have left.

Thank you.

3:30

THE CHAIRMAN: Hon. Member for Edmonton-Mill Creek, you have 20 seconds.

MR. ZWOZDESKY: Well, Mr. Chairman, since there are only 20 seconds left on the clock, I will just ask the Treasurer to please provide an update on the discussions between the government and Ridley Grain relative to the annual capital expenditure program for the terminal and future taxation issues of concern to members of that consortium.

Thank you.

THE CHAIRMAN: After considering the business plan and proposed estimates for the department of Treasury for 1997-98, are you ready for the vote?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed?

Agreed to:

Operating Expense	\$44,365,000
Capital Investment	\$1,303,000

THE CHAIRMAN: Shall the vote be reported?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

Science, Research, and Information Technology

THE CHAIRMAN: I'll call on the hon. minister.

DR. TAYLOR: Thank you very much. It's a privilege to be back here again today, Mr. Chairman. [interjection] Yes, Provincial Treasurer. You're forgiven.

I would say that I particularly enjoyed the comments in the last discussion we had in this House in subcommittee, particularly the comments that were made by Lethbridge-East near the end of the discussion. We had a very good and frank discussion about some of the issues in terms of models appropriate for R and D in the province, and we had to, you know, conclude that discussion because members on my side of the House, unfortunately, were encouraging me to sit down and be quiet. It wasn't the opposition. It was our good Minister of Labour there that was one of the leaders in it. So we unfortunately had to conclude. I will assure you that those discussions will be ongoing.

Because of the shortage of time last time, I did not have time to talk about the science and research fund, which is a \$5 million research fund. I would like to take a few minutes and just talk about that fund right now. I need to watch my time very closely, Mr. Chairman, because the hon. Member for Red Deer-South has a few comments to make as well about the Alberta Research Council. I would just like to ask you to rule. I have 20 minutes, and then, as in the past with the subcommittee estimates, he's had 20 minutes as well. So I'm just wondering if that applies here. In the first subcommittee meeting I was allowed 20 minutes, and then the chairman of the Alberta Research Council was allowed 20 minutes as well. I'm wondering: does that apply here as well?

Chairman's Ruling Clarification

THE CHAIRMAN: Now, the ruling, as I understand the agreement between House leaders, was that there would be 20 minutes for the department side, the government side, and there would be 20 minutes for the Liberal opposition and five minutes for the ND opposition. If the minister and any other designate did not take up their time, that time would be given over, basically, to the opposition, just as in the last case we had, I think, about eight or 10 minutes given over to the opposition. Then they had 20 minutes in addition to that.

So the matter is yours.

DR. TAYLOR: Thank you. If there's any time left over, then I would will my extra time to the ND opposition.

Debate Continued

DR. TAYLOR: I would like to comment briefly on the science and research fund, which is identified under reference 1.0.4. The research fund was established under the Science and Research Authority Act, proclaimed in 1995. The purpose of this fund is to kick start important strategic science and research initiatives that will produce social and economic benefits for Albertans. The fund will be focused on several issues. It will be focused on building the Alberta R and D infrastructure.

I might point out that the federal government has a program called the Canadian infrastructure program, which is an excellent program. It's going to put about \$100 million a year for the next five years into the R and D infrastructure right across this country. The Alberta government has committed in matching dollars \$15 million a year for the next three years to match the

federal program. This program is run out of the hon. minister of advanced ed's department, and I would like to compliment him for recognizing the fact that my department is an umbrella organization that can help in the development of criteria. We've worked very closely with the minister of advanced ed to develop the appropriate criteria on which to judge proposals. As well, it will be the minister of advanced ed who has final say on which proposals are accepted but in consultation with the minister of science, research, and information technology.

I'd just like to thank publicly the minister of advanced ed and his department for the excellent job of co-operation that has been accomplished in this project. Quite frankly, that's the way research needs to be accomplished in this whole province, not only within government but outside government as well. It has to be a co-operative effort with government departments partnering with each other, and it has to be a co-operative effort with government departments partnering with industry.

The fund, as I started to say, will be focused on a number of issues. It will be focused on building our province's R and D infrastructure. It'll be establishing and strengthening R and D partnerships, and I was just mentioning that. It'll be involved in enhancing our province's ability to transmit and transfer knowledge and technology from R and D to application and commercialization.

I would like to point out that the Member for Calgary-Mountain View is actively involved in this. He is presently investigating how effective the government is in transferring knowledge and technology from R and D to application. Really, unless we can transfer the knowledge to an application system, it doesn't matter that the knowledge is there. We have to transfer it from the university file drawers, from the cabinets, to an application system. I think we can do a much, much better job in this in developing our knowledge base and taking that knowledge base and applying it to practical situations. It's very important that we work from the knowledge base, develop the knowledge base, and then take it to the practical situations. [interjections] Thank you. Accolades are coming, even from the Liberals. Good to hear. So this ability to transmit and transfer knowledge is important.

Another issue the fund will be addressing is enhancing the human resource base necessary for growing a prosperous Alberta. One of the ways we have invested in Alberta as a government is in advanced education. I think it's important to note that 37 percent of Albertans have postsecondary education. That is the highest in the country. Of course, with this large knowledge base it allows us, once again, to have highly qualified people working in our industries. It might also be interesting to note that we have the highest percentage per capita of engineers in the country, once again indicating a high knowledge base in our province. Without this high knowledge base we simply cannot develop in the future. Knowledge is futuristic. You know, as a government we do too much looking in the rearview mirror. We have to look forward, and knowledge industries are something that allow us to look forward. So this knowledge industry is very important, and those are some of the issues that the fund will address.

3:40

Now, we also have a number of guidelines that will have to be adhered to in order to receive funding from the R and D fund. One, the initiative should demonstrate a high probability of generating significant social or economic benefits for Alberta. Now, with a \$5 million fund, you know, you cannot spend 5 million bucks all in one place. [interjection] Well, you could, I suppose. I'm sure the Member for Red Deer-South could spend it very quickly.

This is one of the issues that we have to deal with, and this is why partnering is so important with other institutions, perhaps universities, perhaps other research institutes like TRILabs or the Microelectronic Centre or perhaps the Alberta Research Council as well as business. So we need to take this fund and multiply it a minimum of 3 to 1, a minimum maybe of 4 to 1 to really generate good activity from this fund. We have to have projects that will bring economic benefit to Alberta. This could include things like sustainable employment, exports, health, or environmental quality. It's interesting to note that when we talk about sustainable employment, Alberta, a province with only 10 percent of the population, has created 30 percent of the new jobs in Canada this past year. That is in a large . . .

MR. SMITH: Yours included.

DR. TAYLOR: Mine included, somebody has suggested. And a fine job it is too. I thank the electors of Cypress-Medicine Hat for creating this job, and I thank them for their wisdom as well.

Thirty percent of the new jobs being created by a province with 10 percent of the population. It's interesting to note that a lot of those new jobs are created in high-tech industries, knowledge-based industries, once again recognizing the importance of knowledge, Mr. Chairman. We have in Alberta today over 3,000 high-tech companies. They employ over 50,000 people in high-paying, high-tech jobs. We can mention a number of them. Q C Data is one example in Calgary. Three years ago it employed 25 people; today it has 550 people. We can at look at NorTel in Calgary, that is employing thousands of people and will probably double its size in the next year. As I look back at past governments, past governments often take a hit for what was called NovAtel. But I can tell you that NorTel would not be in the province today employing those thousands and thousands of people if it weren't for the technology that was developed by NovAtel, and everybody seems to forget that. That is a fact, and NorTel people will tell you that. There is no recognition of that in this province.

MRS. SOETAERT: You can't make a silk purse out of that one.

DR. TAYLOR: Mr. Chairman, if the member for Spruce Grove, the mouth, has a comment, I would certainly be prepared to take her questions.

I will continue, Mr. Chairman. Thank you.

MRS. SOETAERT: Mr. Chairman, did he ask for a question?

Chairman's Ruling Decorum

THE CHAIRMAN: Hon. members, I think it was more a rhetorical turn of phrase, but the point is now taken, hon. Member for Spruce Grove-Sturgeon-St. Albert. Maybe we could allow the hon. minister to complete his statement. Hopefully, he can contain the rhetoric so that it doesn't invite others to interject.

With that, continue, Mr. Minister.

DR. TAYLOR: Mr. Chairman, I certainly will do my best to restrain myself, but I must say that it's very difficult when you're being heckled by inane comments from the opposition. So I will continue.

I should also point out, Mr. Chairman . . . [interjections]

THE CHAIRMAN: Order. Hon. members, I know that it's late in the afternoon, that it's a warm, wonderful, sunny day outside, but we are in here. If you wish to be elsewhere, we'd invite you to do that. There's a balcony out there, there are lounges, but here we're trying to concentrate on the debate on the estimates of this department.

Hon. minister.

DR. TAYLOR: Thank you. And I'm glad the Chairman has recognized that spring fever has struck the opposition.

Debate Continued

DR. TAYLOR: Anyway, another issue that we need to deal with, Mr. Chairman, is that initiatives should not create what we call orphans. We do not want to have an initiative that continues to require funding from the project fund. Rather, we want initiatives that are going to become self-sustaining over a relatively short period of time so that once an initiative is launched, it can be supported without indefinite support from the fund. So that will be one of the criteria.

Initiatives should enhance the human capital of the province through learning and training. I've talked briefly about that. Initiatives should be founded on relevant, expert, professional assessment of opportunity and need.

Mr. Chairman, I do have a number of other comments that I would like to make. In fact, I've got pages of them here. But my time is running out, and I do want to give the chairman of the Alberta Research Council an opportunity to make some valid comments and some valid points. If there happens to be any time left over at the end of his time, then I will certainly get up and conclude with further comments.

Thank you.

MR. DOERKSEN: Mr. Chairman, the minister is fond of talking about recognizing knowledge, but there are times in this Assembly when we wish he would recognize when it's time to sit down and be quiet. [interjections]

Chairman's Ruling Decorum

THE CHAIRMAN: Order. I will begin to invite some people to absent themselves from the Chamber. But first of all, I would admonish the minister, who has just concluded his remarks, invited the hon. Member for Red Deer-South to speak, and then continues to engage the opposition in some kind of discussion. Hon. minister, if you wish to discuss anything further with the hon. Member for Spruce Grove-Sturgeon-St. Albert, please do so outside the Chamber. Otherwise, let us hear the hon. Member for Red Deer-South.

MR. DOERKSEN: I appreciate the ruling, Mr. Chairman. I was having trouble getting my points across.

Debate Continued

MR. DOERKSEN: I just want to take a few moments this afternoon. I talked at length the previous evening about the importance of the Alberta Research Council, but I thought that it was important to note that today there was a significant recognition made of the Alberta Research Council as they were recognized by the forestry industry as a centre of innovation. The Alberta Research Council is an important ally of the forest products industry in Canada and has been the key to their growth

and development, putting them at the forefront of this industry in Canada and internationally.

Today the Alberta OSB and MDF producers have an advantage in world markets because of the capability of ARC's facility to aid in the development and testing of new and innovative panelboard products. Just to explain that, OSB stands for oriented strandboard, which is an ideal building product for the North American home construction market. MDF stands for medium-density fibreboard, which is used in the manufacture of furniture and shelving as well as in the construction industry. So today when ARC was acknowledged by the industry, I think it says a lot about what ARC has done for the Alberta economy and about their contribution in this important area of R and D.

So, with those brief comments I will take my seat.

THE CHAIRMAN: The hon. minister.

DR. TAYLOR: Thank you. Could I just have a brief indication of the time left? Four to five minutes.

3:50

I would like to point out that the Member for Red Deer-South just made some valuable comments about oriented strandboard. The new members in opposition will be pleased to hear that I'm a hundred percent in favour of oriented strandboard.

I want to talk briefly about some other aspects of ARC and the fund. If a person or a company is going to get involved with the fund, they have to begin by providing a letter of intent describing the initiative and the concept. They have to develop a proposal if this first letter of intent is approved, and they have to provide a developed and detailed business plan. They have to have ministerial approval. Once again the implementation and performance of any proposal is very important; that is, can the group that is bringing forward the proposal implement it? Many groups may come forward with various proposals, but it's important that it be a group that can actually implement it, that can carry out conformance.

Another issue in the fund, of course, is one of accountability. There will be postinitiative reporting of performance measures; that is, how many jobs is this going to create? Does it create jobs? Does it increase growth in the economy? Does it increase company sales? Does it increase company exports? There are a number of performance indicators that we can look at.

Now, another important responsibility of the ministry is to act as an advocate for science and research. In fact, the Science and Research Authority Act states that ASRA – that is, the Science and Research Authority – will

promote communication on matters related to science and research among the science and research community, business community and general public.

One of the things I have done to start dealing with this is that just two weeks ago I gave a speech to an aeronautics and space group in Kananaskis. I've since had further contacts with their local organization. In fact, this week we had a meeting in my office with the Edmonton airport authority, which is looking at developing some research initiatives with an American company. Next – I can't remember. It's Tuesday or Wednesday. I believe it's Tuesday morning I am meeting with the American people that are working with the Edmonton airport authority on this issue. So we're trying to create a high profile for research and development in the province.

I've given speeches to other groups, met with other groups. I met with a forestry group. Just this morning, as a matter of fact,

I made some comments to a group of engineers out at ARC that are involved with the oil sands. We had people there from the People's Republic of China. We had people there from Texaco in Houston, Texas, as well as others from across Canada, engineers involved in oil research, trying once again to stress the importance of knowledge and the importance of knowledge-based industries.

Look at what's happening. The new research or the new development in the tar sands in Alberta with the in situ recovery opens up a whole new industry. We're seeing billions of dollars invested in tar sands in Alberta today in this industry, and that is simply because it's a knowledge-based industry. The R and D in this area has allowed them to reduce the cost, with steam generation, of getting the oil out of the ground. Because of that R and D that's done, because of the money that is being put in there by the Alberta Research Council, the provincial government, and oil companies, we have this increase in investments that's going to create jobs and going to create industry in Alberta.

I see I only have one minute left. I want to really stress that the value of science promotion cannot be overstated. I'm going to count on all my colleagues in the House, on both sides of the House, to help me in this, to help me stress the importance of knowledge in our society, the importance of education in our society. That's the future for Alberta. That's the future for young Albertans. Our young Albertans are going to be working in knowledge-based industries. So I look forward to working with members on both sides of the House in helping me develop programs and helping me develop models that will encourage this to happen in a more efficient and more effective way in Alberta.

Thank you.

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

MR. SAPERS: Thanks, Mr. Chairman. My thanks as well to the minister of science, research, and information technology. I know that you weren't able to give your full response to the questions that were asked during earlier estimates debates. You made reference that you had several more pages, so I would hope that you'll table them or somehow get them over to us. We'd really appreciate it. I am very taken with the enthusiasm with which the minister discusses his responsibilities and role, and I take him at his word about involving all members from both sides of the House. In fact, he's already extended one invitation for myself and one of my colleagues to meet and discuss some very important matters that will affect the future of science and research in this province, and we look forward to those discussions.

The minister began his remarks this afternoon talking about the science and research fund, the \$5 million, a commitment of \$15 million over three years. He used the phrase – and I think I have it right – “kick start important . . . initiatives” and then talked about building an R and D infrastructure and about how this is really a federal program the province is matching, largely administered out of another department, the department of advanced education. I have the privilege of shadowing that department as well. So I looked at it from that side of the ledger, and while I mean absolutely no disrespect at all to the minister of advanced education, this is a science and research fund. How is this consistent with the government's commitment to highlight the importance of science and research by establishing a stand-alone ministry, to allow this fund to be administered outside of the department, particularly considering the structure with ASRA and ARC? I know that the minister is not an empire builder and

wouldn't want to try, you know, to muscle in on somebody else's territory; it's equally true that that could be said of the minister of advanced education.

MR. DUNFORD: And career development.

MR. SAPERS: And career development, he tells me. So maybe he is an empire builder. I'm just wondering if you could let us know what the decision-making was, what the thinking was in terms of how that was pieced out.

As well, Mr. Minister, it would be very helpful if you would table, either on your own behalf or on behalf of your colleague minister, the criteria that's used now in assessing the projects. How are you sharing this criteria with industry and with the academic community just to ensure that they're all at the starting gate at the same time?

You also made some interesting remarks, Mr. Minister, about the transfer of knowledge. I think one of my colleagues wants to ask some specific questions about that. All I'll say at this point is that it seems to me from reading your business plan that commercialization of research is not the only justification for research. Certainly ASRA, ARC, and Advanced Education and Career Development make that clear as well. If that's not what you meant, then maybe it should be clarified. Maybe that opportunity for clarification will come up subsequent to my remarks.

In the few minutes that I have this afternoon, I would like to talk about the business plans for the Alberta Science and Research Authority and the Alberta Research Council. These business plans were published in the Budget '97: Post-Election Update book. They begin on page 243, Mr. Minister, as you're flipping through there.

First a general comment. I have had an opportunity to review most of the business plans published in this book, and there is a real inconsistency in terms of how they're laid out. Treasury has gone some way to making it very, very, clear. If you look at the Treasury business plan, you'll see that there are strategies/outputs, outcomes, performance measures/targets. It's all very clear. It's laid out in a table. You can quibble with the substance, but it's a good format, and I believe it's the intended format government-wide.

For the Alberta Science and Research Authority we have a statement of goals and then strategies and plans, but no real outcome measures are indicated. For ARC we have yet another, a third format for reporting on the key strategies and what would be performance measures. I find this a little disturbing for two reasons, and I hope you can pay some attention over the next year to dealing with this so that in subsequent business plans we could have a little more consistency and a little more uniformity.

4:00

I find it disturbing, first of all, because it's very hard to compare year to year when you have really soft or mushy or ill-defined targets and outcome statements. It's very hard to compare one department against another to sort of get a sense of how things are going across the whole government if there's not that consistency throughout the government's business plans. The other reason why I'm a little disturbed about this, particularly in this ministry, is that this is science, research, and information technology. I know the irony isn't lost on you with the point that I'm making. You in this department have an opportunity to be the trendsetter. This is information technology. You were talking about the transfer of knowledge in your earlier comments. If

there's any department that should have the clarity and the vision and the ability to clearly articulate its mission and vision, you would expect it to be this department. I won't belabour that.

I will, though, just ask you some questions about some of the strategies, first with ASRA and then with ARC. The very first strategy statement for the Science and Research Authority goes something like this. It says:

Promote the establishment of a policy environment that encourages research and development and the application of technology for the economic and social development of the province.

Great statement. No quibble. But then it goes on to say, "The ASRA Board considers the existing policy framework to be adequate for the present. No activities are planned at this time."

Well, Mr. Minister, the ASRA board are fine people with a great mandate and they do wonderful things, but they don't speak for the government. So frankly I don't really consider that because ASRA considers that the existing policy framework is okay, that means everything is fine.

Secondly, if the strategy is to "promote the establishment of a policy environment," et cetera, what exactly is meant by "no activities are planned at this time"? I take it that what's meant is that the policy framework is okay and that the board doesn't want to tinker with the policy framework. Fair enough. But certainly you shouldn't be leaving it to one's assumptions to read into this statement that there is not going to be further encouragement of "research and development and the application of technology for the economic and social development of the province." Language, of course, is very important and powerful, particularly in these precincts. So to have it written this way as the first strategy for the department is problematic.

The second one: "Define key science and technology priorities and approaches to achieve the economic and social objectives of the Government." Well, that loops back to what I said before about the ASRA board. If the board is creating the policy or setting the objectives but the strategy talks about the "social objectives of the Government" and then it says, "ASRA will identify and promote high impact strategic initiatives . . . within Research Activity Areas," it seems to me we're getting into some real circular thinking here, maybe even some sort of doublespeak.

DR. TAYLOR: Tautology is the word.

MR. SAPERS: Well, I used tautology in the earlier estimates debates, as you're aware – thank you for reminding me – but there was a puzzled look from the Minister of Education. I guess it wasn't his word of the day that day, so I didn't want to pursue that any further.

Mr. Minister, there are some other members that want to have a go with these estimates at this point, so I'm not going to go through each one. But I would hope that in our discussions maybe outside of estimates we could actually spend some time focusing on these questions.

You could do the same thing – and I don't want to wordsmith each and every one of them – to each one of these statements. Maybe it's because it is a work in progress, and that's okay. But if it is a work in progress, then maybe we need to say so and not try to pretend that it's anything else.

I will talk just for a minute, before I turn to ARC, about strategy 7:

Support and encourage excellence in the science and research community and infrastructure in Alberta to attain international excellence.

- ASRA will continue to work with [Alberta] Advanced

Education and Career Development in the development and refinement of key performance indicators for scholarly excellence.

Okay, but let's flip over to the strategies and goals for Advanced Education and Career Development, where they don't really talk about ASRA. So, you know, there are some linkage problems in that one in particular.

I cannot pass the opportunity to comment on your optimistic restatement of history regarding NovAtel at this point. I'm just wondering if you were thinking particularly of strategy 7 there when you talked about what a tremendous benefit the government's experience with NovAtel was to the people and the economy of Alberta. It is true that some people have managed to profit from the technology and from the research and there has been some job creation. There has been some economic activity, but, Mr. Minister, certainly not you nor any other member of your government would suggest that the NovAtel experience is the way it should be done.

In terms of strategy 7 about "attain international excellence," I can assure the minister that from some conversations I've had with representatives of the international investment and research communities, they don't consider that one to be the high-water mark for Alberta. So proceed with caution, Mr. Minister.

ARC. In many ways the business plan for ARC is less precise. [interjection] I can't comment on that, Mr. Minister. In many ways the business plans for ARC are less precise than for ASRA. We have roughly a page and a half of what are called key strategies, and we see things emphasized. Again, words are very important, and if you just scan this, the words that have been bolded are these: market focus, private sector, new initiatives, effectiveness and efficiency, innovative strategic partnerships and alliances. Those are sort of the bulleted words that are highlighted. I don't see anything in this business plan that immediately draws my eye to the public purpose of the ARC.

Now, if you read it in its totality, you get a sense of what the ARC is trying to accomplish, and certainly I'm not quibbling with whether or not the Alberta Research Council provides a benefit, because I believe it does. I believe it provides a tremendous benefit, but wouldn't it be nice if the first statements of the strategic importance of the ARC, the first outputs to be measured, the first performance measures and targets in fact talked about the public research agenda, talked about the public good, talked about the need to generate knowledge, not market knowledge, the need to provide support that does bridge academic enterprise with commercial enterprise and that its purpose was first and foremost the public good.

Mr. Minister, as the former chairman of the ARC I know that you've engaged in that debate. Nobody wants to take away from that practical side, which is that we have to have a return on the investment for the people of the province. I'm not saying we should turn our backs on that, but what I'm saying is that equally important at least is the acknowledgment that it's there to serve us. It serves us by serving the public good, and it does that by always, always putting public interests ahead of private interests. So when you begin to look at the availability of seed capital or venture capital or kick-off money or kick-start money or whatever we happen to be calling it – and I know you spoke a little before about tax incentives – all of those things always first and foremost have to be run through the filter of: is this the right thing to do for the people of Alberta? That's all of the people of Alberta all together, not more narrow private interests. So I would hope that we get to see that in the future business plans of ARC in a much more dramatic and clearly stated way.

Mr. Minister, thank you for your attention at this point. I do

look forward to our conversations and tabling of those other responses that you have. My colleague has a couple of questions for you at this point.

4:10

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

DR. MASSEY: Thanks, Mr. Chairman. I have basically four questions that I'd like to address in terms of the estimates. I guess I would ask the minister: what attention is being given to creating and maintaining a vital research community? Researchers are only going to come here if they are assured of a number of things. One is that there are other researchers in the field with national or international reputations. They aren't going to come here, no matter how many dollars you offer them, if they don't have that assurance. They are going to come here if they know that there are good libraries and that there are good laboratory facilities where they can do their work. It's a serious question. What is being done? It's not the sole responsibility, certainly, of this ministry. Advanced education has a role to play, but the creation and maintenance of that kind of a community is crucial to I think all the goals, all the aims of the department, and the things we see listed in the business plan.

The second question is on that whole notion that was touched on about the balance between basic research and applied, or gizmo, research, and there's some alarm. I spent some time with the vice-president of the University of Alberta trying to express my concerns – and it certainly would be my concern with this department – that all research in those institutions isn't turned into gizmo research. There is a role, a very vital role, for basic research, research that doesn't pay off today. It may never pay off. If you look at things like the development of the CD player, the research that went into that player was done four or five decades ago and sat around. It was information that wasn't used. Its time came. There's lots of information that will never be usable, but basic research, getting the best brains that we can possibly get, allowing them to freelance, to muse about problems is I think vital to a good, solid research community and making sure that the public research agenda is protected and grows.

I worry about research in the humanities and who's looking after that. Again, it goes back to this notion of: what is research and must it always result in some sort of payoff? I worry about the public research agenda being hijacked, that our institutions that have been paid for by taxpayers over a number of years – they're a huge investment – somehow or other are being hijacked and used by commercial firms to their advantage, and the taxpayers are left to do nothing but foot the bill.

I'm not quite happy with the two separate departments. I look back, and I'm sure that the minister is familiar with Cloutier's report and what he said about research. What he seemed to say is that advanced education didn't have the personnel to offer leadership in research, yet we have a separate department of science and research. I wonder why those exist that way, with the obvious need in advanced education and the obvious expertise in the science ministry. Again, I've never been quite clear.

There is a listing, I noted, of the kind of research activity that's being done across government, and I'm pleased to see that there. I asked for that, I remember, a number of years ago, and I was told that such a compilation hadn't been made. I think it's a very basic step in co-ordinating government researchers so that what's done in agriculture and the databases that are developed there are available to the people in environment and resource development.

Those are my comments. Thank you, Mr. Chairman.

THE CHAIRMAN: After considering the business plan and proposed estimates for the department of science, research, and information technology for the year 1997-98, are you ready for the vote?

HON. MEMBERS: Agreed.

Agreed to:
Operating Expense \$29,696,000

THE CHAIRMAN: Shall the vote be reported?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

Federal and Intergovernmental Affairs

THE CHAIRMAN: We'll call on the minister to begin this afternoon's deliberations on the '97-98 estimates.

MR. HANCOCK: Mr. Chairman, we had a good and well-rounded discussion of FIGA's estimates last week, and I'd like to table now answers to all of the outstanding questions that we didn't get to at that time. I have four copies of them here. I'd like to expand on some of the themes that the subcommittee discussed: rebuilding the federation, the role of aboriginal affairs in the ministry, the internal trade agreement, and efforts to keep Alberta well positioned internationally. Of course, all members are welcome to raise issues with our department at any time throughout the year. They don't have to do it through the subcommittee process.

Our subcommittee showed great interest, Mr. Chairman, in Alberta's role in rebuilding the federation. In this role FIGA is working with other departments to make sure Alberta gets a fair deal and that our priorities are reflected in federal policies. This was a significant year for us, especially since August of 1996, when Alberta took over the chair of the annual Premiers' Conference. With all of the provinces and territories in attendance, the Premiers tackled the issues of how to work together to rebuild Canada.

For starters they looked at those areas of provincial jurisdiction which were very clearly identified by the Fathers of Confederation. Over time and through the use and abuse of federal spending powers, Ottawa has intruded into these areas. The Premiers, who happened to represent all three parties sitting here in this House, realize that this has to change. Last summer in Jasper nine of the 10 Canadian Premiers called for a rebalancing of roles and responsibilities between the federal and provincial governments. The provinces are working in co-operation to make that happen. Our challenge to the federal government is for them to keep their word and to adopt flexible federalism, a federalism which meets the needs of all Canadians.

As provinces we're doing our part. Alberta is chairing two important initiatives within Canada: social and non social policy rebalancing. In the non social policy areas, provinces are looking at areas such as environmental management, internal trade, international trade, inland fisheries, national food inspection, fiscal compensation, and federal spending power. We don't need two levels of government involved in all of our programs. It's ineffective and it's wasteful. Programs and services should be delivered by the government which is best able to deliver them. Once roles and responsibilities are agreed upon, we want to

ensure that adequate and stable resources are available.

It's been an exciting challenge as we work with our colleagues on these diverse issues across Canada. Despite our different needs and resources, provinces are willing to work together to make that change happen. At the next annual Premiers' Conference ministers of intergovernmental affairs will be reporting to the Premiers on this initiative.

In the social and fiscal policy area the Premiers named a new council on social policy renewal, which is now chaired by the Hon. Lyle Oberg. FIGA staff work with other provincial governments on day-to-day negotiations and support the chairman in his role. Last week I touched on some of the successes in the social areas; for example, the development of a new integrated child benefit, labour market agreements in five provinces, a provincial/territorial health vision, and work on support for persons with disabilities. The Premiers also asked the council to develop a strategy to counter federal off-loading of the cost of services to aboriginal people. This strategy will be developed with input from aboriginal leaders. At the next meeting the council will be looking at a co-operative approach to developing, renewing, and interpreting national principles and standards.

4:20

Our efforts for rebalance within the federation are aimed at improving the operation of the Canadian federal system. This is important for all Canadians, but importantly, it's also a key part of our efforts to achieve a new vision of Canada, a vision which is promoted by Alberta, a vision which recognizes the federal aspirations within Quebec. However, while we're working on a positive new vision for Canada, there's a very real chance that the government of Quebec is on course for another referendum before the turn of the century. With that will come the inevitable suggestion to open up the Constitution. Alberta's position has been consistent, and it has always reflected the desires of Albertans. The Premier has promised that we will consult Albertans with respect to the appropriate Alberta position in future constitutional discussions. We are also required under Alberta's Constitutional Referendum Act to let Albertans have their say in a referendum before we can approve any constitutional amendment.

Our Premier has stated that he believes the people of Quebec should be able to preserve and protect those things which they currently enjoy which make Quebec unique in Canada, such things as language, culture, heritage, and law. He has also stated that he does not support any special status for the province of Quebec or any measure that would give the province of Quebec any powers not available to any other province. It is a belief in Canada that all provinces have equal status but is a Canada that allows Quebec to protect those things which make it a unique part of our national character. Our Premier has espoused a vision of a tolerant and diverse nation where we are equal Canadians no matter where we live but where the word "equality" is not used as a blanket to smother diversity. Alberta's focus is not just on the specific requirements and needs as outlined by Quebec; our focus is on Alberta's role in a renewed Confederation. If we are effective in our rebalancing efforts with the other provinces, together we will pave the way to a new federalism which meets the needs of all Canadians.

While we continue to press for change on the intergovernmental front, there's another important issue which faces provincial and territorial governments: improved relations with aboriginal communities. Alberta wants to expand our strong relations with aboriginal people. We want to work with aboriginal groups on a government-to-government basis. The FIGA ministry with its

new responsibility for aboriginal affairs is well positioned for positive, effective, ongoing relations.

I spoke in subcommittee last week about how we had no intention of simply resubmitting two separate business plans. Instead, we are developing a new business plan that highlights the strengths and the potential of the combined ministry. In the early stages of amalgamation we are looking at streamlining and integrating all areas of the department in order to better address the issues that are important to aboriginal people. Among other things our business plan outlines our direction to work with other departments to transfer program delivery to aboriginal communities, to continue to resolve outstanding land claims where we have a responsibility to support the federal government, and to continue to assist Métis settlements through their transition to self-sufficiency and a successful future.

We have one of the best provincial relationships with aboriginal communities in the country. It's another example of Alberta's foresight in working with the people who reside in our province, and through our new organization I am committed to seeing this relationship continue to improve for the benefit of all Albertans.

I was pleased last week to have some well-informed questions about trade dispute and trade mobility within Canada. As many of you know, Alberta, more than any other province, has taken the lead in promoting the agreement on internal trade. We've been hammering away at this agreement since long before it came into existence in July 1995, and these efforts have had some results. But we're talking about an agreement that requires co-operation and new ways of thinking in every single province across Canada, and that's never easy. While this takes time - and we've always expected that it would take time - we must be diligent in our efforts to make it work. The agreement certainly needs to be improved and expanded. Alberta will continue to push for extending the procurement chapter to include the MASH sector; completing a chapter on energy, including transmission of electricity; expanding the current agriculture and food and goods chapter; harmonizing rules for telemarketing and loan brokering; and considering a panel that awards damages as well as costs to a person who wins a dispute. We must keep up the momentum on this agreement for one good reason: it's good for Albertans and it's good for Alberta business.

In 1995 our exports to other provinces were valued at almost \$13 billion. This trade is vital to our economy, and by reducing barriers we're creating opportunities for jobs and business growth. Domestic barriers also increase the cost to taxpayers and consumers. I wish I could tell you that all provinces are on board and eager to see the competition open up, but that's yet to be seen. There are still some out there who, although they may be interested in having access to other markets, are jealously protecting their own. They can't have it both ways. That doesn't worry me when it comes to Alberta because we can trade with the best of them. Fair competition is where Alberta shines the brightest. Although Alberta has come up against some walls along the way, we have achieved a great deal through the agreement.

The agreement also ties in with the new economic strategy released by the Alberta Economic Development Authority in January of this year. This strategy calls for identifying and removing barriers to economic growth. In removing barriers, the agreement outlines some key obligations. It opens up tendering for federal and provincial projects for goods over \$25,000 and services and construction over \$100,000. It requires governments to drop residency requirements; that is, to no longer require

businesses and workers to reside in the provinces where they do business. It provides for reconciliation of corporate registration and reporting requirements for businesses working in other provinces. It includes a code of conduct on poaching, which is when a province offers incentives to try and convince a business to relocate from one province to another. It sets out a process for harmonizing operating rules generally and specific commitments related to motor carrier safety, operating rules, and administrative requirements. The challenge is to maintain momentum.

In addition to our many successes within Canada, Alberta is clearly an international province, very capable of responding to globalization and actively seeking to increase its international focus. Alberta's economic growth is tied to our success internationally, and we know the competition is stiff.

FIGA works to tackle the international marketplace primarily in two ways: by working to reduce trade barriers with our trading partners and by ensuring that Alberta has a strong, consistent, international presence in key markets. Through the first aspect, many of you are aware of our work to resolve trade disputes for important industries like softwood lumber, sugar, and agriculture, but our work extends far beyond that. We are working on behalf of Alberta industry to make sure that Alberta is involved with the federal government in all agreements that affect our province. Starting at the negotiation stage and following through to the implementation stage, we're working to ensure that the agreements meet the needs of our industry.

The second focus, internationally, is on keeping and expanding our international ties, particularly in Alberta's key markets. We work closely with other departments to ensure an effective, co-ordinated strategy that reflects the needs of business. While departments like Economic Development and Tourism, Energy, and Agriculture, Food and Rural Development represent their specific industry sectors, it's our role most often to open the doors.

This role is probably nowhere more important than in Asia, which relies heavily on government-to-government relationships. With over 60 percent of our non-U.S. trade, Asia is one of Alberta's most promising international markets. It's not only our largest overseas market, but it's also home to some of the world's fastest growing economies. Our role in this market over the coming year will be to reinforce and strengthen our intergovernmental relationships with Asia, building our credibility as both a friend and a trade partner. It requires commitment, long-term contact, and a willingness to take the time to get to know our Asian partners. One way we can do this is by receiving high-level delegations in the province who wish to see firsthand the Alberta advantage which they've read about in the *Wall Street Journal* and other places.

We expect Canada's Year of Asia Pacific will pay off for Alberta. First, there was a significant business success in the Team Canada mission in January. Coming soon, in August, energy ministers and industry leaders from 18 Asia Pacific countries will be in Edmonton to discuss trade in the energy sector.

Closer to home we will also be focusing much of our efforts on the United States. Alberta is an active member of a variety of cooperative bodies that are focused on opening up the north/south border. Some of you have also been involved with groups such as the Montana/Alberta Boundary Advisory Committee and the Pacific Northwest Economic Region. The latter group will be meeting in Seattle in June. A strong private-sector group led by the Alberta private sector is also participating in the PNWER

organization, and one of our representatives will hopefully be chairing that as president for the coming year.

These strategic alliances are going to help our business sector in their trade activities. We intend to keep in touch with our business sector, to promote opportunities with the United States, and to ask them for their help in identifying and removing trade and transportation barriers. I fully expect it'll be an exciting year as we pursue Alberta's priorities within the province, across Canada, and around the world.

In conclusion, I want to recap some of the challenges before us. We are set to achieve new heights in our work with aboriginal people within Alberta. We face some unique times within Canada as we move through a federal election and the continued challenges of our national unity. In the trade area we are determined to create opportunities for Alberta businesses within Canada and around the world.

I'd be pleased to take follow-up from any members with respect to the answers which we've tabled today and to take additional questions at this time or in the future. I look forward to your continued interest and enthusiasm together with your help and advice on how we can continue to build and improve.

Thank you, Mr. Chairman.

4:30

THE CHAIRMAN: The hon. Member for Edmonton-Castle Downs.

MRS. PAUL: Thank you, Mr. Chairman. Thank you, Mr. Minister, for this opportunity to ask a few questions. I have only about six or seven.

With reference to pages 234 to 236 under the '97-98 government and lottery fund estimates, the budget documents claim that the Department of FIGA is responsible for negotiating the elimination of overlap and duplication between the provincial government and the federal government. This is probably the worst department to be given that mandate because, as the international trade issue highlights, they have not managed to get rid of duplication between the Department of FIGA and other Alberta government departments. So my question to the minister would be: how can this department be expected to eliminate federal/provincial overlap and duplication when they have refused to do it within their own government?

Also in reference to page 234, the business plan also claims that FIGA plays a big role promoting international trade, but the Department of Economic Development and Tourism also has many large divisions performing this function. The Economic Development Authority has set up an external trade task force that has announced that it will develop the goals and plans for all trade missions by ministers or the Premier. My two questions in that area. Why do we have both the foreign offices, the Economic Development Authority, and the Department of FIGA performing the same functions? Will the minister reduce the size of his department to acknowledge that department activities are already being performed by other departments and agencies? I recall, Mr. Minister, that you did allude to that.

The budget documents claim that the department is responsible for advising the government on a strategic approach to national unity issues, specifically on the situation in Quebec. With all these supposedly valuable advisers on Canadian unity, why did the Premier decide that it was necessary to convene a panel of university professors to advise him on issues? Was the Premier not satisfied with the advice he was getting from his high-priced advisers in the FIGA department? The second question is: what

is the current status with regards to the government of Alberta's office in Ottawa? Has a new executive director been appointed since the former director moved to his new position in the southern Alberta Premier's office?

With respect to page 235, the business plan claims that FIGA will be pursuing Alberta's strategy in changes to Canada's social and fiscal policy and a rebalancing of responsibilities in the areas of the environment, national securities, and trade. Can the minister comment on his goals in each area and what specific changes he hopes to achieve? If that could be in writing, that would be fine.

Thank you very much.

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

MR. BONNER: Thank you, Mr. Chairman. I'd also like to direct my questions to the Minister of Federal and Intergovernmental Affairs. I'd like to start by introducing concerns which are constituency concerns.

In the northwest corner of Edmonton-Glengarry we have Griesbach, which is part of the Edmonton garrison superbase. Now, there have been some discussions at this point that they are going to close the Griesbach section of the superbase and move it out to Namao with the rest. When Griesbach was first established, it was isolated in the northern portion of Edmonton, but since that time the city has grown up around it, and it is now surrounded on all four sides by residential property. Part of that is in the constituency of Edmonton-Glengarry, and the other portion is in the constituency of Edmonton-Castle Downs. With these discussions that they're going to be closing down Griesbach, I do have a number of questions. I don't know if you can provide that information for me now or at a later date.

I guess my first question would be: have there been any other military . . .

DR. MASSEY: Installations.

MR. BONNER: Installations. Thank you, Dr. Massey. Have there been any other military installations that have been shut down, and what procedures were used when they were shut down to return that land and those buildings to municipalities? Along the same lines I'd like to know, if there is something in place, how the fair market value is determined for both the land and the buildings. The use of those facilities on there, particularly the housing: has that been turned over to the municipalities so that they could use those buildings for some sort of condo complex? Particularly because these are very old and small, I think they'd be ideal for the needy people of northeast Edmonton. As well, has this ever happened for that type of thing, or are the plans of the federal government just simply to bulldoze those buildings? I'd also like to know, if that is not their plan, is there a public tendering process in place whereby these can be . . .

THE CHAIRMAN: The hon. Minister of Federal and Intergovernmental Affairs is rising on a point of order.

Point of Order Relevance

MR. HANCOCK: Mr. Chairman, on a point of order. The questions which are being raised . . . [interjections] It's a federal matter, a federal responsibility. Relevance. The questions, while very interesting, Mr. Chairman, are clearly . . . [interjections]

Beauchesne 459. While they're very interesting questions, they're not questions which are within the purview of Federal and Intergovernmental Affairs. They're questions that the hon. member should be pursuing with the federal minister of defence and perhaps with federal members.

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

MS LEBOVICI: If I may. I hesitate to remind the minister of his responsibilities, but all I need to look at is actually the '93 estimates, unless it's changed.

The Ministry is responsible for coordination of activities of the Government of Alberta and its agencies in relation to the Government of Canada.

The questions are more than legitimate in terms of: what is this government doing in relation to the government of Canada and the situation there?

I beg to differ that there is a point of order, but I would like to have a ruling from the Chairman to be assured that this interchange has not taken away from our time for the estimates.

THE CHAIRMAN: I'll answer the last question by the Member for Edmonton-Meadowlark. No. The clock is stopped on a point of order, so it does not take away from your time.

The Chair is put in an awkward position. If the Minister of Federal and Intergovernmental Affairs is asserting that in fact he doesn't have any connection to these other governments and their workings, then truly what he has said is so. However, if he does have some responsibility for that area, then of course the interjection has been made in error. The Chair cannot tell the Minister of Federal and Intergovernmental Affairs what his duties are and what his responsibilities are, but from the evidence given by the hon. Member for Edmonton-Meadowlark, it would sound like a review of those responsibilities might be appropriate.

The hon. minister.

4:40

MR. HANCOCK: Mr. Chairman, I would withdraw the point of order. I was merely bringing up the fact that the speaker was talking about federal and municipal exchange of property, not federal and provincial. But I'm certainly happy to take the responsibility for discussions with the federal government on any matter where those questions impact relations between the federal and provincial governments.

THE CHAIRMAN: All right. With that proviso, then, we'd ask Edmonton-Glengarry to continue his comments.

Debate Continued

MR. BONNER: Thank you, Mr. Chairman. I only have a few questions left for the minister.

In an agreement of this nature could you also please find out for us if there are any sunset clauses. Are there any conditions one way or the other that define what is to happen to military bases when they are closed down? Finally, when they do depart, will they leave this in the condition that it is, or is there some provision down the way so that troops and their families could return at a future date?

Mr. Chairman, I will await with interest the minister's replies to these questions. Thank you very much.

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

MS OLSEN: Thank you, Mr. Chairman. I just have a couple of questions around aboriginal issues, mainly the Métis settlements. I asked the question during the estimates:

Why didn't the government make sure last year and prior to that that the \$210 million in statutory funding given over the last four years was used wisely?

I've received your written response to that, and your comments were:

All Settlement funds have to be spent in accordance with Settlement by-laws, which are approved by Settlement members at public meetings.

I think I brought up the issue with you in terms of enumeration of Métis settlements, and the biggest concern of the residents on Métis settlements is that the people on some of the councils and living in some of the settlements are not in fact Métis people; they are in fact First Nations people. Therefore, I think it's very important, given that those bylaws – and there are specific issues that I can point out when you have C-31 or other status aboriginal people on Métis settlements. They are impacting the bylaws. They are impacting the councils. They are elected to councils. So I think until that's cleared up, a number of the settlements would like to see some accountability for funding. It doesn't look from your written answer – and I'm waiting for more information from you – that the whole issue of enumeration is going to be resolved in an expedient manner or resolved at all.

I'm just bringing these up because I'm a member of the Métis nation. I have people bring those issues to me on a regular basis, and as a member of the Métis community I'm asking these questions on their behalf. Just to go beyond that, I'm asking that there's got to be an accountability process, and until this enumeration is resolved – and this enumeration may cost money. In Saskatchewan it could cost anywhere up to \$500,000 to clean their lists. I don't think you're going to get the satisfaction of everybody on the settlements in relation to this. If I give them this answer, they're going to be coming back. So that's just for you, and if you can give me some more information in relation to that, I'd appreciate it.

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

MS LEIBOVICI: Thank you. I'm pleased that we have the opportunity so that some of the members who could not get up and ask their questions in the last go-around with regards to the FIGA budget are able to, even though there will still be some left on deck at the end of the discussion today.

I've had a chance to look at the *Hansards* with regards to some of the responses the minister made initially on some of the questions that were asked. I also had a quick overview of the responses that were tabled about 40 minutes ago with regards to the questions that were asked. So I've got some more questions out of the answers to the questions, and I'll run through those quickly before, hopefully, I get to what some of my remaining questions were.

One of the issues I had asked about was in terms of the whole benchmarking process that happens within FIGA. The response was that it's difficult, and I recognize that it's difficult to actually put a date on some of these outcomes. The reality is that if it cannot be a date that's published for strategic purposes, then I would hope there are some documents internally within the department that outline what the goals are, what the strategies are

to reach those goals, and then what the outcome is of those goals. In fact, when I look at the answer that was just received less than an hour ago, it appears that the department measures whether it was successful or not based on its outcomes. Well, the reality is that you need something to strive for. You need a goal that's set out. You need a time line within which to reach that goal. You need strategies to obtain that goal, and then the outcome is your evaluation. It's your process. But to just say, "Well, the outcome is going to be X," without really knowing if that's where you were headed for is a bit of a backwards process and is not quite an appropriate way to benchmark. So I would like for the department to look at their internal mechanisms a little bit harder, and perhaps with the new minister they will.

I had asked the question with regards to the municipalities, and the minister's response was that the municipalities are not really within the umbrella of FIGA. Yet when we look at what the objects are, what the implications are of the trade negotiations that are ongoing, the municipalities cannot be excluded. What is happening, then, if that is the case, is that you're having the provinces deal with the federal government and the municipalities are then left out. And that's the exact scenario that this province complains about with regards to the feds. They say: oh, well, you've got to include us in the negotiations. Yet with the municipalities it's: well, it's okay; we don't need to worry about you; we'll talk on your behalf. [interjection] Well, the reality is that there need to be point people in each of the departments, and either you do have the ability to interact with the different departments or perhaps there is no reason for FIGA. So either you've got to find the umbrella and how to make the umbrella work appropriately so the concerns of the municipalities are taken care of, so the concerns of economic development, the concerns of Labour, the concerns of advanced education are taken care of or you're going to have to look at another mechanism within which to deal.

Talking about advanced education, before I forget – and this was a point dealing with labour mobility – I had asked what the government's position is in terms of an Alberta-first policy. The minister very rightly indicated that, no, what we are pursuing is a broad-based approach where we have open borders. Perhaps this just leads to the point that the minister needs to have better communications with the departments, because when I look at the question in yesterday's question period from the Member for West Yellowhead, he says in his question, "I don't want to see what transpired in the early '80s, when we had an influx from the east" – and that's of workers – "and then they left and went back east." Well, either we have open borders or we don't. Either that's a policy of the government or it isn't. Then the minister of advanced education said:

Well, Mr. Speaker, the hon. member is quite right. Those of us who are getting perhaps a bit long in the tooth can remember back to the mid-70s and early '80s, when there was a tremendous shortage of skilled tradespeople in Alberta.

He then goes on to how he had to recruit from Ontario, Quebec, the Maritimes, England, and Korea. And here the minister of FIGA is saying that we want to recruit from overseas. So either we do have open borders or we don't have open borders.

4:50

The social policy council. This sounds like a special stand-alone council that was appointed as a result of the Premiers' Conference. Can we have the dollars for that, what the sunset provisions are, whether there's any carryover on the process into the next year?

National standards. The minister did go on to explain in a little bit more detail what our position is with regards to the federation. I have a concern – and I think most Albertans will have a concern as well – that if the national standards mean a lessening of standards in health care and social services, then to push the Alberta agenda with regards to privatization in those two areas . . . I think there are going to be some very deep concerns. It is quite clear across the country that citizens, Canadians, want to see strong standards, national standards with regards to those two areas, at least, and education. If what we are saying is that we want a lessening of those standards, then I think there needs to be a widespread consultation. Now, the minister in his response indicated that there are no dollars for a consultation, that if in fact a consultation does occur, these consultation dollars may be forthcoming from the budget for the Legislative Assembly. But, again, there have been no dollars allocated within the Leg. Assembly budget, and as well, there are no funds presently in the ministry's budget.

Now, the referendum happened a year and a half to two years ago. We know that the situation in Quebec is an ongoing situation. I will not say it's a volatile situation, but it is a situation that is more than simmering and at times near the boiling point. My question is: why have we not built in dollars so that we can do an adequate consultation? In the minister's response it indicates that in the next year or year and a half we may be doing it. My position or my suggestion to the minister is that that is not soon enough, that it needs to be dealt with and it needs to be dealt with immediately, unless the provincial Conservatives have already decided to go along with the federal Conservatives and follow the lead of the leader of the federal Conservative Party.

Effective consultation. The minister had indicated that he would welcome some suggestions as to how to do it. There is more than enough evidence within the government over the last three years of how to do an effective consultation and how not to do an effective consultation. The roundtables were not an effective means of consultation. The consultations around the heritage savings trust fund and around the lottery funds were a lot more effective. They were a lot better model to use. So I think there are models that the minister can use to ensure that there is enough input from Albertans.

The PQ advisory committee. My colleague has addressed that issue, as to the need for that committee or what the interaction is between that committee and the department itself when we talk about overlaps.

World Trade Organization. The minister talked a little bit about that right now, that you're working to reduce barriers to trade, basic telecommunication services, info-tech products. My questions: are there going to be built-in assurances for consumers? Are there going to be safeguards put in with regards to privacy of information when we're talking about basic telecommunication services? What are we actually looking at when we say reducing barriers?

Professional services is one of the internal trade areas that the minister's department claims to be involved in, but when I very quickly looked at a College of Physical Therapists of Alberta annual report, every department seems to have been involved with the internal trade requirements on that. There was the Department of Labour, the department of advanced ed, the Department of Health, yet FIGA is nowhere mentioned. My question then is: what is FIGA's involvement in the agreement on internal trade, and how do they manage to provide that linkage with the government departments? That is their mandate. Their mandate is not

to overlap what governments are doing but is to provide governmentwide policies, strategic recommendations, and to at times be a leader in those particular tasks: an adviser, co-ordinator, or lead representative. There seems to be a little bit of a question as to what the role is.

I've got perhaps some historical questions that I'd like some information on that go back to 1995 in the *Hansard* of March 14, page 571, where FIGA was "co-ordinating Alberta's efforts to improve the efficiency of the federation" and also "examining opportunities to rearrange federal/provincial roles," and every Alberta government department and agency is involved. I'd like to see where the report is, if there was a report. If not, we keep doing the same work with no outcome.

The interprovincial trade barriers. We talked about that and the importance of having the municipalities involved in those ongoing negotiations because of the fact that the municipalities are directly involved with those particular issues.

Some specific budget issues. I noticed in the 1993 estimates that the department was at 77 individuals. The department is now at 90 individuals. If we can get a breakdown as to what the increase is and how much of that increase was specifically in relation to the area of intergovernmental affairs. I notice that there is a slight dollar decrease, but it is hard to know where the functions are and whether there has been an overall decrease in the budget. Originally what was projected was that the "overall spending reduction by 1996-97 will be 20.8 percent" in FIGA. This is the March 14, 1994, *Alberta Hansard*, page 584. I'd like to know if in fact FIGA has met that overall spending reduction and if not, why not. What are the different areas that required assistance so there were not cutbacks in those particular areas, because the department had made a commitment to have the dollars reduced.

There is the overarching statement that I would like to make that there was a commitment made in I believe 1994 – or at least a request, and I'm not sure if the minister did commit – that there be more than six lines in the Federal and Intergovernmental Affairs budget. We have not much more than we had over the last three to four years, and therefore it's difficult to know whether or not the department is actually meeting its goals within the budget that is being provided.

There are, I'm sure, some other outstanding issues that need to be addressed. On page 184 of the Budget '97 document there's quite an extensive description of the restructuring and refocusing within the department, and there's an indication that the staffing levels have been reduced by 38 percent. Again, when I look at the FTEs in '93 and I look at the FTEs in '97, I see that there is not that reduction there. I understand that the ministry has obtained responsibility for aboriginal affairs. On the other hand, the ministry did have areas within the '93 budget that dealt with conference submissions, dealt with intergovernmental affairs, translation bureau, and I'm not sure that those services still remain. So the question is: if we take out that aboriginal affairs portion, what in fact has been the decrease and/or increase within the department itself?

Thank you very much.

5:00

MR. HANCOCK: Mr. Chairman, I now move that we rise and report progress.

[Motion carried]

[The Deputy Speaker in the Chair]

MR. SHARIFF: Mr. Speaker, the Committee of Supply has had under consideration certain resolutions for the fiscal year ending March 31, 1998, reports the approval of the following estimates, and requests leave to sit again.

Treasury Department: \$44,365,000 operating expense, \$1,303,000 capital investment.

Science, research and information technology: \$29,696,000 operating expense.

The Committee of Supply has had under consideration certain resolutions of the Department of Federal and Intergovernmental Affairs, reports progress thereon, and requests leave to sit again.

Mr. Speaker, I would also like to table copies of documents

tabled during Committee of Supply this day for the official record of the Assembly.

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

HON. MEMBERS: Agreed.

THE DEPUTY SPEAKER: Opposed? So ordered.

[At 5:03 p.m. the Assembly adjourned to Tuesday at 1:30 p.m.]

