

Legislative Assembly of Alberta

Title: Thursday, February 19, 1998

1:30 p.m.

Date: 98/02/19

[The Speaker in the chair]

head: **Prayers**

THE SPEAKER: Good afternoon. The prayer today is an excerpt from the prayer used in the House of Commons in Ottawa.

Let us pray.

Guide us in our deliberations as Members of the Legislative Assembly and strengthen us in our awareness of our duties and responsibilities as members.

Grant us wisdom, knowledge, and understanding to preserve the blessings of this country for the benefit of all and to make good laws and wise decisions.

Amen.

Please be seated.

head: **Tabling Returns and Reports**

THE SPEAKER: The hon. Leader of the Official Opposition.

MR. MITCHELL: Thank you, Mr. Speaker. I would like to table four copies of a poll commissioned by Alberta Treasury in October 1997 which outlines that Albertans don't feel the same way about a minimal tax cut as the government does.

MRS. McCLELLAN: Mr. Speaker, I have two filings. The first is a letter I sent to the chairman of the board of directors for the 1998 Alberta Winter Games in Red Deer asking him to pass on the best wishes of this government to all young Albertans participating in the games this weekend.

The second filing, Mr. Speaker, is an information bulletin inviting Albertans to nominate individuals for the sport volunteer recognition award.

MR. JONSON: Mr. Speaker, I wish to table with the Assembly four copies of a communiqué issued by the provinces and territories with respect to the negotiations and the overall financial assistance package being contemplated for hepatitis C victims.

Secondly, Mr. Speaker, I would like to table with the Assembly four copies of my reply to a question raised by the leader of the ND opposition yesterday with respect to the Health Resource Group.

THE SPEAKER: The hon. minister of science, research, and information technology.

DR. TAYLOR: Thank you, Mr. Speaker. I'm pleased today to rise on behalf of my colleague the hon. Minister of Economic Development, responsible for the Alberta Racing Commission. I'm tabling the 33rd annual report for the Alberta Racing Commission for the year ended March 31, 1996.

head: **Introduction of Guests**

THE SPEAKER: The hon. Member for Athabasca-Wabasca with a very special introduction.

MR. CARDINAL: Thank you very much, Mr. Speaker. On your behalf I would like to introduce to the Assembly constituents from the Barrhead-Westlock constituency. They are seated in both the

public gallery and also the members' gallery. There are 101 bright grade 6 students from the Westlock elementary school. Accompanying them are 10 parents and also five teachers. I would like them to rise now and receive the traditional warm welcome of the Assembly.

THE SPEAKER: The hon. Member for Drayton Valley-Calmar.

MR. THURBER: Thank you, Mr. Speaker. It's with a great deal of pleasure that I introduce to you and through you to the members of this Assembly a very prominent citizen of the town of Drayton Valley, the mayor, by name of Tom McGee. He's held that post as mayor for a good many years in a very thriving community, and I'd like you to rise, Tom, and receive the warm welcome of this House.

THE SPEAKER: The hon. minister of science, research, and information technology.

DR. TAYLOR: Yes, Mr. Speaker. I'm pleased to introduce to you and through you to the Assembly . . .

MR. SMITH: You're going to introduce a guest?

DR. TAYLOR: Yes, actually I have a guest, hon. member. My constituency assistant is up from Medicine Hat to see the efficient running of this Assembly. Her name is Sherry Dyck, and I would ask her to stand and receive the greetings of the Assembly.

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

DR. PANNU: Thank you, Mr. Speaker. I'm delighted this afternoon to introduce to you and through you to the members of the Assembly a large group of hardworking and proud employees of the government of Alberta who are members of the AUPE local 54. They are seated in the public gallery, and their names are as follows: Kathy Kadyk, Malcolm Smith, Almira Nunes, Kishan Sri Thakur, Debra Klein, Andrew Bachand, Barb Kuzyk, Gaetan Cadrin, Alecia Hinton, Bill Brown, Glen Glasgow, Peter Teskey, Sharon Hantelmann, Sam Motyka, Horacio Quesada, Catherine Smith, Alex Mitchell, Debbie Lamoureux, Alie Rabenda, Barb Tanner, and Brenda Arbuthnott. I would ask them to stand and receive the warm welcome of this Assembly.

head: **Oral Question Period**

Growth Summit Recommendations

MR. MITCHELL: Mr. Speaker, the Growth Summit identified as its priorities people development, health, quality of life, and municipal infrastructure. Many of those participants who entered the summit believing that tax cuts should be a number one priority dramatically changed their impression by the end of the summit, and personal income tax was placed at a much lower priority. Confirming the Growth Summit's judgment at this time is this recent poll commissioned by Treasury, which states that only 8 percent of Albertans supported a tax cut at this time. To the Premier: how can a 22 cent per day per taxpayer cut supported by just 8 percent of Albertans be more important than a Growth Summit recommendation to achieve improved teacher/student ratios and to provide, for example, hot lunch programs for children who go to school hungry?

MR. KLEIN: Well, I guess the hon. member is picking and choosing, Mr. Speaker. Certainly in the preparation of the budget a lot of attention was paid to the recommendations out of the Growth Summit. Quite clearly, the priority was identified as people development, and that was indeed addressed in the budget with significant increases going to education, all phases of education, K through 12, postsecondary education, and of course lifelong learning, skills upgrading, job retraining, and so on. That was followed very closely by health and quality of life programs in accordance with the Growth Summit recommendations, followed again by infrastructure. As you know, there was a very significant onetime infusion of cash for infrastructure.

Mr. Speaker, the fourth recommendation was a vision – well, that's sort of a nebulous kind of a thing, and, yes, the vision is really the opportunities that are available for Albertans – followed by taxation. In terms of financial matters and how we address those financial matters, taxation was listed as the fourth highest priority, and we dealt with it in that manner.

MR. MITCHELL: Mr. Speaker, why did the Premier bring in a cup-of-coffee-per-week tax cut when 72 percent of Albertans in this poll, his very own poll, said that it would be as long as two to 10 years before government finances were in a shape to permit a significant tax cut? It's right here. There are the ones who wanted it, and these are the ones that didn't want it.

1:40

MR. KLEIN: Well, I hope the hon. member is not saying that he wants a tax increase. I don't think that's what Albertans want at all.

Mr. Speaker, first of all, low- to middle-income families with children got a tremendous tax break, up to a thousand dollars directly back into their pockets. I think that he should acknowledge that.

Secondly, related to taxation globally, Mr. Speaker, certainly since I became the leader in 1992, it has been the policy adopted by this government that we maintain the most competitive tax regime in the country relative to personal and corporate income tax. The simple fact is that we were about a point higher than Ontario, and we were losing our competitive edge. It was for that reason, among others, that the taxation was lowered.

MR. MITCHELL: Despite our sales tax advantage in this province, I guess the Premier wants to keep up with Mike Harris on taxes, but he doesn't want to keep up with Alabama and Mississippi and American Samoa on class size.

THE SPEAKER: Whoa, whoa, hon. leader. Do you have a question?

MR. MITCHELL: Yes, I do.

THE SPEAKER: Are we going to get to it?

MR. MITCHELL: Yes, sir. Thank you for your patience, Mr. Speaker.

Mr. Speaker, how can the Premier justify a 22 cent per day tax cut when he is still implementing further cuts to municipal infrastructure and when his own Growth Summit said: do something about stable, predictable funding for municipal infrastructure?

MR. KLEIN: Mr. Speaker, per capita grants for municipal infrastructure went up by over \$7, from \$25 to \$32.50, I believe

it was. Relative to education, funding was increased significantly, not only to provide for growth but also to bring in new programs like early intervention with respect to reading.

Mr. Speaker, I know that before the hon. member could be ruled out of order, he did allude to Alabama and some other states, but I'd like to point out that according to statistics, we provide a larger percentage of money for instruction than any other jurisdiction in Canada and all but four states in the United States. For instruction. We put the money where it counts: in the classroom.

THE SPEAKER: Second Official Opposition main question. The hon. Member for Edmonton-Mill Creek.

Alberta-Pacific Forest Industries Inc.

MR. ZWOZDESKY: Thank you, Mr. Speaker. Albertans want to know why the price tag on the Al-Pac loan suddenly dropped from \$383 million to \$260 million. It seems that the Treasurer was trying to hold 'em at \$383 million and the Premier wanted to fold 'em at \$260 million. Albertans just want to know why. All Albertans want to know is why. So my question is to the Treasurer. Was the proposed \$260 million sale of the Al-Pac loan based in any way on the evaluation conducted by TD Securities?

MR. DAY: Mr. Speaker, I explained yesterday, and I'll explain again today. I have to say that usually the Member for Edmonton-Mill Creek listens carefully and evaluates the information, so I'm surprised that two days in a row he continues to repeat a ridiculous assertion which has been passed on to him obviously by his leader, for what purposes I don't know.

I'll just reassert that normally when you open negotiations, you don't start in at a rock bottom price. You start with an indication of just where you'd like to be in terms of the optimum. So the full dollar figure was included. From there you negotiate from that.

I want to thank the member opposite, because over the period of time of negotiation, I read his remarks, and I think he was being quoted accurately in terms of saying: the government should at all times be looking at how to extricate taxpayers from these deals and to get some good deals. He never once said that it should only be settled at the total amount for principal and interest. As a matter of fact he said himself that it should be as much as we could possibly get. So in the evaluation, that is what is done. There were a number of factors that went into this particular evaluation related to market price realities. Every bit, every element of those evaluations that I can, I will share with the member and anybody who's interested if a deal is in fact concluded.

MR. ZWOZDESKY: Well, we're trying to get down to the bottom of why it's \$260 million.

I wonder, then, if you would explain this memo dated October 10 from Alberta Treasury which tells Crestbrook to forward the Goepel Shields report on the Al-Pac loan to TD Securities. We're still trying to tie that together. Would you just explain that memo to us?

MR. DAY: Mr. Speaker, as already indicated, there's a number of factors that go into an evaluation. If we follow the lead of the opposition members, what I'm hearing echoed today and I heard yesterday is that what you should do when you go to sell your house is get an appraisal and then go to the person buying it and

say: "Here's the appraisal. Please don't give me any more than this." I think that's not the best way to do business. There were a number of factors that went into evaluating this, as I've already indicated, and all of those factors will be clearly made known to people if and when a deal is concluded.

MR. ZWOZDESKY: It just gets cloudier, Mr. Speaker.

Will the Treasurer just simply explain why his department denied last fall that TD Securities was somehow involved in this evaluation when clearly this memo proves that they were? Why was your department denying that?

MR. DAY: Mr. Speaker, first, he talks about something that happened in December. Now he's talking about a memo that happened in October. I've said very clearly that a number of factors are taken into consideration. Even when you go out for a private-sector evaluation and appraisal, which should be done and which we did do, that alone isn't the only factor. There's a lot of input that has to go into that. I've said before and I'm saying it for the third time today. I said it a number of times yesterday. [interjections] It's too bad the people at home can't hear how the untrained seals across the way have just gone berserk here while I'm trying to explain this.

Mr. Speaker, I'll go on to say that on a daily basis we work with the opposition member to try and explain the process to him. When he's on his own he understands it, and he reflects positively to me. When he's surrounded by the seals around him, he seems to get a little clouded in his hearing, but I'll sit down with him again, and we'll work through this.

Speaker's Ruling Decorum

THE SPEAKER: There is something about Thursdays in this Assembly; there really, truly is. I don't know if it's the fact that this morning this Assembly sat till 12:15 or something and there is a fatigue factor.

Gee, you know, questions are asked, answers are given, and the people who asked the questions then provide interjections. What's the purpose of raising a question if nobody's going to listen to the response? It's just a question I ask out loud. The point is that if the answer is not appreciated or one doesn't like the answer, you come back the next day and ask it again, as is the case today. Let's try and listen to the answers if there's going to be a question. I've got all these young people from Westlock that I want to impress with the conduct of the Assembly today.

Third Official Opposition main question. The hon. Member for Edmonton-Meadowlark.

MS LEIBOVICI: Thank you, Mr. Speaker. I hope both the Premier and myself will co-operate with your suggestion to try and impress your young visitors this afternoon.

Growth Summit Recommendations (continued)

MS LEIBOVICI: The Premier this afternoon confirmed that his tax cut really has nothing to do with Alberta families getting the most benefit. In fact, what it seems to be is a game of one-upmanship between himself and the Premier of Ontario. My questions are to the Premier. Mr. Premier, if you're really concerned about Alberta families, why didn't you reduce or cancel some of your government's user fees?

MR. KLEIN: Mr. Speaker, with respect to user fees, they are deemed to be fair and equitable and really are charged to those people who use specific services. If you don't use the services, you don't pay. Having said that, I would like to point out once again that the benefit, the direct cash benefit back to low- and middle-income families with children is greater. It almost doubled in this current year's budget. So the money really is going to the people who need it the most, and I think that's important.

1:50

MS LEIBOVICI: Thank you. Again, Mr. Premier, if you're really concerned about Alberta families, why don't you consider a tax credit for stay-at-home spouses with children?

MR. KLEIN: Well, Mr. Speaker, it depends on the family's income. If they're in that low- to middle-income range that entitles them to a cash rebate, then they will get it whether they're stay-at-home parents or not.

MS LEIBOVICI: You'll have to learn a little more about that one.

If you're concerned about Alberta families, why haven't you implemented the recommendations of the Growth Summit, such as increasing the minimum wage and reducing the tax for small business?

MR. KLEIN: Mr. Speaker, as you well know, the whole issue of the minimum wage is under review right now. I would think that in the fullness of time a report will be brought forward, and we will deal with it at that time.

Private Health Services

MS BARRETT: Mr. Speaker, this government's deliberate policy of underfunding public health care is allowing the proliferation of unregulated private health care in Alberta. The government is willfully turning a blind eye to HRG's attempts to become a backdoor hospital. They even admit themselves that they keep up to five patients overnight. It has no regulatory framework to monitor and control Recovery Inn of Calgary, a company that wants to open a facility to care for patients recuperating from surgery and prematurely released from hospital. My question to the minister is this: how can he allow this kind of unregulated private facility to care for patients that are only being discharged from hospitals due to a shortage of public hospital beds?

MR. JONSON: Mr. Speaker, if the member's question refers to the Health Resource Group, as would be indicated in the filing that I made earlier in the session today, HRG is offering uninsured services. They are accredited by the College of Physicians and Surgeons in terms of the educational qualifications of the doctors or physicians involved, the equipment, their ability to maintain standards. There has been consultation with Canada Health. They are deemed to be in compliance with the Canada Health Act. So it is regulated; it is dealing with uninsured services. Therefore I do not know what the issue is.

MS BARRETT: It had to do with Recovery Inn.

Mr. Speaker, considering that organizations like Recovery Inn – remember the old Hotel de Health? – and HRG are blurring the definition of hospitals, day clinics, home care, and even hotels, will the minister please indicate now what his definition of inpatient is and his definition of a hospital is?

MR. JONSON: Well, Mr. Speaker, I would be quite prepared to bring to the Assembly the rather comprehensive list of procedures and treatments that the College of Physicians and Surgeons has determined must be offered in a hospital setting and do require overnight stays.

With respect to the matter of there being some recovery time or hoteling, if you want to call it that, provided, it's my understanding that one of the services that HRG has been involved in is that of providing certain services for the British Columbia Workers' Compensation Board. They request, because of travel and all the rest of it, that as part of the package they are allowed to have their patients stay I believe it's one or two days at the facility.

MS BARRETT: I've never met anybody who could deliberately miss the point better than you, Mr. Speaker. Or Mr. Minister.

THE SPEAKER: Hon. member I've been listening very attentively to what you've been saying. I haven't missed any point.

It only begets the point that there's no need for a preamble. Get to the question.

MS BARRETT: Well, Mr. Speaker, I was addressing the issue of Recovery Inn, and I don't think the minister has responded yet, so I will ask the Premier. Perhaps he can clarify things. Given that these private hospitals, hotels, whatever, are setting their own rules, they're not monitored, they're not regulated, will the Premier, then, commit today to stop any private clinic from allowing patients to stay overnight and outlaw private hospitals in this province?

MR. KLEIN: Well, Mr. Speaker, I think that the hon. Minister of Health answered this question. Apparently, the overnight services being provided are minimal to say the least and to my understanding don't involve medical services. It simply is a stay. The hon. minister indicated that many of these patients are from B.C. and are there as the result of a contract between the Health Resource Group and the B.C. Workers' Compensation Board.

THE SPEAKER: The hon. Member for Edmonton-Beverly-Clareview, followed by the hon. Member for Edmonton-Manning.

Edmonton Oilers

MR. YANKOWSKY: Thank you, Mr. Speaker. The city of Edmonton could be on the verge of losing its hockey team, the Edmonton Oilers. It's players like Wayne Gretzky that made the team famous, put Edmonton on the map, and brought business and jobs. Now, if the Oilers are sold to a foreign buyer, all that Edmonton has gained will be lost, along with an estimated \$63 million of related business and taxes. This is not only about business; it's about a community asset. My questions are all to the hon. Premier. Could the hon. Premier tell this Assembly what impact, if any, major big-league sports teams such as the Edmonton Oilers have on the provincial budget/economy?

MS BARRETT: How about big meat packing plants too?

MR. KLEIN: Right, Mr. Speaker. Meat packing plants and all businesses. I mean, it is not a nice thing to lose any kind of business, whether it's a meat packing plant or a professional sports franchise.

Mr. Speaker, I can only refer to the report in October of Economic Development Edmonton, where they say that the

direct/indirect economic impact on the province is \$74.7 million, of which \$62.9 million is concentrated in the Edmonton region. In addition, the Edmonton Oilers generate something like \$44 million in wages and salaries, \$39 million of which remains in the Edmonton area. In addition, taxes to all levels of government, including the federal government, the provincial government, and the municipal government, total something in the neighbourhood of \$19.5 million annually. So the economic impact of the Edmonton Oilers, not only to Edmonton and region but to the whole province, is very significant indeed.

MR. YANKOWSKY: Thank you, Mr. Speaker. Can the hon. Premier tell this Assembly if he knows of any top-up funds in the way of loans or grants that may be available if a local buyer comes up just a little short of the \$70 million U.S. needed to buy the Oilers?

MR. KLEIN: Well, it's a nice question, but I'm afraid the hon. member is not going to like the answer. The answer is no. We have made it quite clear that we're out of the business of being in business and providing special grants and concessions, loans and loan guarantees to businesses. [interjections] Mr. Speaker, are they saying that we ought to do that? They're making quite a bit of noise about this. Are they suggesting that perhaps we should? No. As a matter of fact we have in place legislation that prevents us from doing just that. It's called the financial limitations act.

MR. YANKOWSKY: Thank you, Mr. Speaker. Can the hon. Premier tell this Assembly if there are any provisions that he knows of for lottery moneys to be used to finance any part of a big-league sports team like the Edmonton Oilers?

2:00

MR. KLEIN: Mr. Speaker, there have been two separate studies and exercises that have addressed this particular issue. One was a policy for professional sports organizations, which was chaired by the then Member for Calgary-Shaw. The other was the report on lotteries, a year-long public consultation program, chaired by the hon. Member for Lacombe-Stettler. Those reports both concluded that lottery money ought not to be used for the operation of a professional sports franchise. One of the reports alluded to a sports prize bond being created to subsidize the operations of a facility, providing that facility was also available for amateur sport.

In addition, Mr. Speaker, the recommendation in the Gordon report quite clearly says that "no portion of net lottery revenue should be used to support the operational costs of any professional sports team." It also alludes to the feasibility and the examination of a sports prize bond, and the recommendation was that this "should be studied further with a view to possible implementation in the province" and that this "Sports Prize Bond would be operated separately from lotteries." In addition, recommendation 7.3 said that "decisions on support for facilities are primarily the responsibility of municipalities," because indeed municipalities own the facilities, i.e., the Coliseum. "However, if any lottery funds are involved, the funding would have to be provided through the Local Lottery Board."

So this suggests that indeed there is an opportunity for the local lottery board in the city of Edmonton to look at the use of those funds to fund the facility, again providing that facility, as I mentioned before, is also available to the community at large, especially amateur sports teams.

THE SPEAKER: The hon. Member for Edmonton-Manning, followed by the hon. Member for Calgary-McCall.

Support for Municipalities

MR. GIBBONS: Thank you, Mr. Speaker. The government plans to cut \$60 million over the next three years from municipal programs. Ever since 1992 the trend has been to download provincial responsibilities onto local communities. Albertans at the Growth Summit called for stable funding for municipalities. To the Premier: why are we ignoring the Growth Summit recommendations?

MR. KLEIN: Mr. Speaker, we are not ignoring the Growth Summit recommendations. As a matter of fact, Budget '98-99 provides for a substantial infrastructure investment. Again, I have to point out that the municipal transportation grants were increased from \$25 to \$32.50 per capita. Many of the problems that are now being experienced by municipalities are the direct result of something that's happening in this province that is very, very positive, and that is tremendous economic growth and prosperity.

We've made a commitment to work with municipalities, including the city of Calgary and the city of Edmonton to again, like health or education, identify pressure points and to deal with those pressure points if indeed they can be identified as problems and as areas that, if not dealt with, would be economic inhibitors instead of economic generators.

MR. GIBBONS: Thank you, Mr. Speaker. My first supplementary: will the Premier admit that his cuts to municipalities will lead to higher property taxes?

MR. KLEIN: Not necessarily, Mr. Speaker, because what is happening in municipalities is that there is a rapidly expanding tax base. All you've got to do is look at the city of Calgary, for instance, where unemployment is at an all-time low, where the population is growing at about something like 5,000 people a month. These people are coming in; they're working; new businesses are moving into the city. So the tax base is expanding very, very significantly, not only in the city of Calgary but in municipalities throughout this province.

MR. GIBBONS: Mr. Speaker, my second supplementary: will the Premier stop arguing with the mayor of Calgary and create a new partnership between municipalities and the province?

MR. KLEIN: Well, perhaps the mayor of Calgary is acting no differently than when I was the mayor of Calgary. I mean, it was fashionable even then to bash the province, Mr. Speaker. I did my share of it, but the shoe's on the other foot now.

Mr. Speaker, indeed, the Provincial Treasurer is going to Calgary tomorrow to visit with the mayor. The hon. Minister of Municipal Affairs has already met with the mayor to discuss some of these issues. The minister of transportation also has met with the mayor to discuss how we deal with these particular issues. I know that when I was the mayor, I used to ask for the moon, you know, and criticize the government tremendously when I didn't . . . [interjections] Well, the hon. Leader of the Liberal Opposition actually came to me one time when he was running for the leadership way back in '86 to get my advice on how we deal with the . . .

MR. MITCHELL: Because you were a Liberal then.

MR. KLEIN: No, no. I was changing my mind. That's all, Mr. Speaker. But thank God that common sense prevailed.

THE SPEAKER: The hon. Member for Calgary-McCall, followed by the hon. Member for Edmonton-Glengarry.

Social Assistance

MR. SHARIFF: Mr. Speaker, the responsible stewardship of this province has translated into a vibrant economy for the province. This also translates into interprovincial migration. Under the Canadian Charter of Rights and Freedoms Canadians enjoy the right to mobility within this country. To the Minister of Family and Social Services: what is this government's policy with respect to eligibility for social services benefits for Canadians migrating to Alberta from other provinces?

DR. OBERG: Thank you very much, Mr. Speaker. That certainly is an excellent question. Albertans believe that mobility is a very important part of being in Canada, so when someone from another province moves to Alberta and requires social service assistance, they are put on it immediately. There is one exception to that, and that is the personal support services, which require the person to have a valid Alberta health care number.

Mr. Speaker, the concept of mobility is fascinating. It's something we are discussing on a national level. There are actually two components to it. There's mobility and comparability. Mobility we absolutely stand behind one hundred percent. Comparability is something, on the other hand, that we have to seriously look at. Comparability is very difficult when you have provinces that have different mechanisms for social services, different goals when it comes to social services. We must remember that in Alberta it is our goal in social services to put people to work.

MR. SHARIFF: To the same minister: could the minister inform this House of the process available for appeal to interprovincial migrants who do not qualify for benefits under this policy?

DR. OBERG: Mr. Speaker, that's the nice thing about living in Alberta. When it comes to social services, there is always an appeal mechanism. We have a lot of appeal panels around the province, and if on the outside chance a decision made by our social workers, by our department is not to the participant's liking, he has the capability to take his concern to an appeal panel.

Mr. Speaker, in the nine months ended December 31, we had roughly 1,500 hearings for SFI. We had another 600 for AISH. Approximately 75 percent of the decisions are upheld by the appeal panels; approximately 25 percent are overturned.

MR. SHARIFF: Final supplementary to the same minister: could the minister tell this House the true costs associated with cases whenever social workers' decisions are reversed by the appeal panel?

DR. OBERG: Thank you, Mr. Speaker. That's a very interesting question. We just had an example of a person moving from Saskatchewan to Alberta. She did not have a valid Alberta health care number, so she took the appeal to the appeal panel. The appeal panel reversed their initial decision, and as of the end of February this patient will be funded by the department of social services. I think this is a very important issue, because over the

past couple of weeks I have been questioned about the value of our services, about the costs being low, such things as that. This particular person who is now moving to Alberta from an institution in Saskatchewan is going to be funded very close to \$60,000. That's six zero with three zeros after it.

2:10

Treasury Branches

MR. BONNER: Mr. Speaker, Albertans are watching with growing concern the revelations that the Conservative government used the Alberta Treasury Branches as a political arm to finance Gainers so that accountability and responsibility to Albertans could be avoided. As the chief law enforcement officer of the province, the Minister of Justice must be interested in doing due diligence on this file even if due diligence isn't a current policy of the Provincial Treasurer. To the Minister of Justice: is the minister reviewing the transcripts of the Gainers case to determine whether there are grounds to lay criminal charges against government officials?

MR. HAVELOCK: Well, Mr. Speaker, officials in the department are working very closely with the Treasurer's department following all aspects of the case, but of course the hon. member has just pointed out that it is before the courts, and it would be inappropriate for me comment further.

Speaker's Ruling Sub Judice Rule

THE SPEAKER: Hon. members, in cases such as this the referral is usually made to the Minister of Justice for exactly the one question: is this matter before the courts? As the chief law officer in the province of Alberta he has now indicated in this Assembly that there may be a bearing here of sub judice. So be careful with the phrasing of your question, please, hon. member.

Treasury Branches (continued)

MR. BONNER: Mr. Speaker, I want to give the Provincial Treasurer one last opportunity to actually answer the question that I asked him yesterday. Has this government been involved in the restructuring of any guaranteed Treasury Branch loans during this Treasurer's tenure? Yes or no?

MR. DAY: Mr. Speaker, I answered that question twice yesterday. I'll answer it again today. This government does not in any way, shape, or form – we're not involved in influencing loans, loan policy, other than through last year with legislation very clearly laying out to the Treasury Branches that they must operate on the same type of playing field that other financial institutions do. That's the type of influence we bring to bear, not in terms of individual loans. We laid that policy out. That was the reason for, in fact, loan loss provisions last year which resulted in some reported losses. The quarterly reports subsequent to that have reported profits.

I addressed it very clearly yesterday on two different occasions. I'd be happy to send over the *Hansard* from yesterday or to continue answering the question today. I don't know how much clearer I can make it.

THE SPEAKER: The hon. Member for Wainwright, followed by the hon. Member for Spruce Grove-Sturgeon-St. Albert.

Interprovincial Trade

MR. FISCHER: Thank you, Mr. Speaker. My question is to the Minister of Transportation and Utilities. I understand that you're meeting with your western counterparts to discuss the tearing down of trade barriers in the near future. The province of Saskatchewan has had a very unfair, discriminatory tax for out-of-province contractors, trucks, and service providers. Nonresident contractors must become registered to enable them to report any tax payable on materials, supplies, and construction equipment used in Saskatchewan. This is the 7 percent tax under the Saskatchewan Education and Health Tax Act, where resident contractors do not pay. Will the minister bring this particular issue up at your meeting and ask Saskatchewan to remove this unfair tax?

MR. PASZKOWSKI: Thank you, Mr. Speaker. Certainly what the hon. Member for Wainwright has identified is the Alberta advantage. It's cheaper to do business in Alberta because the taxes are lower in Alberta. What the 7 percent reflects is the 7 percent sales tax in Saskatchewan, and in order to keep the playing field level in Saskatchewan so that the Saskatchewan people are taxed the same as people that come over from Alberta, they charge an additional 7 percent on the Alberta trucks that come through to do business in Saskatchewan. So clearly there is a wonderful illustration of good government policy that allows our taxes to be the lowest in all of Canada.

MR. FISCHER: Mr. Speaker, in order to create a level playing field, then, if they refuse to take the tax away, will the minister ask them to take it away and get his department to look at taxing the operators that come into Alberta?

MR. PASZKOWSKI: Certainly one of the issues and one of the problems that we deal with on a regular basis when we meet as transportation ministers is the inequities amongst the provinces within Canada, and that includes the regulatory process. That's always right at the top of the agenda as far as discussions are concerned. As far as taxation is concerned, of course the provinces have the authority to deal with their own taxation within their own provinces. Should Alberta charge a 7 percent tax on out-of-province service rigs, then Alberta would be placing an unfair disadvantage on those service rigs, because indeed we don't charge our own people a 7 percent tax.

MR. FISCHER: So, Mr. Speaker, as the trucks are part of the equipment tax, then, has there been any progress regarding dimensions and weights within the two provinces?

MR. PASZKOWSKI: Yes, there has, and this is one of the areas that actually they're making some progress in. I apologize and certainly will commit to raising the issue regarding the taxes and the variance in taxes for Alberta rigs that go over into Saskatchewan to provide service.

As far as the regulatory lengths and dimensions are concerned, there's been good progress made. As a matter of fact, by '98 most of the provinces are coming together with a standardization. The only area that there isn't commonality in is with the province of British Columbia, where there have been two exemptions to allow their industry to catch up, and they will be implementing the standardization by the year 2000. There are some issues between the Ontario and Quebec border that still have to be worked out. Those have not been resolved. But in general

there's been good progress made in standardizing the lengths and dimensions and weights and measures.

THE SPEAKER: The hon. Member for Spruce Grove-Sturgeon-St. Albert, followed by the Member for Little Bow.

Municipal Transportation Grants

MRS. SOETAERT: Thank you, Mr. Speaker. Last year the government announced extra money for municipal infrastructure. This year there's no special infrastructure grants, and an additional \$30 million has been cut from the transportation grants to municipalities. Every year municipalities have to guess at what the provincial government will do next simply because the province is unable to put together a coherent infrastructure funding plan. My questions are to the minister of transportation. Is it the government's policy to cut basic municipal infrastructure grants one year simply to offset what you gave out the year before?

MR. PASZKOWSKI: Mr. Speaker, I would really hope that the hon. member attends estimates on March 4. I really hope you don't miss them, because I'm sure that you need some guidance as far as the budget is concerned.

MRS. SOETAERT: Point of order, Mr. Speaker.

MR. PASZKOWSKI: Mr. Speaker, the budget for '98-99 for Transportation and Utilities is \$719,818,000. The budget for 1997-98 was \$686,549,000. Clearly there has been an increase in budget for '98-99. Further to that, in '97-98 \$100 million was advanced to be used by the municipalities. It was advanced to them so that they could put the program into place as quickly as possible. The municipalities are very grateful for this because it allows them the opportunity of planning and implementing this additional money. To suggest that there has been a cut – obviously we will have to discuss that on March 4, and I really hope that the member is there.

2:20

MRS. SOETAERT: Thank you, Mr. Speaker. I will most definitely be there, if there's not another committee going on at the same time in a different room, as is what happens.

My first supplemental – thank you for the freedom there. I'd like to know what has changed since last year. Municipalities needed the money last year, and now they are being cut \$30 million, if you look in your own budget under funding to municipalities.

MR. PASZKOWSKI: Mr. Speaker, I'm not clear what the hon. member is referring to because, as I pointed out, there has been no cut. There has been a substantive increase for the coming year. As a matter of fact there was \$100 million advanced for this past year as well, over and above. So the municipalities have a substantive amount of additional money to work with.

Indeed there has been some reallocation of funds for '98-99 because some of the money was advanced a year in advance. So the money has been advanced, but in the overall budget there's a substantive increase.

MRS. SOETAERT: My final supplemental, Mr. Speaker, to the same minister: why won't the government provide a guaranteed three-year rolling grant program so that municipalities can

properly plan their infrastructure development instead of this shuffle game that you're doing with them, back and forth, money taken, money given? It's a joke.

MR. PASZKOWSKI: Mr. Speaker, we do have a three-year rolling grant program. This is the first province in all of Canada that has implemented this type of process. I'm rather surprised at this request, because it was only earlier this week that I tabled the program for the three-year rolling grant program, and I was asked by the hon. member for a copy of it, which she received. So she has a copy of it.

Mr. Speaker, not only that, but we were fortunate because of the additional revenue this past year to be able to infuse an additional hundred million dollars into the infrastructure. [interjections] A hundred million dollars. Had we been able to capture some of the fuel tax that the federal government captures from Alberta, we would be able to infuse another \$600 million into our infrastructure program.

THE SPEAKER: The hon. Member for Little Bow, followed by the hon. Member for Edmonton-Centre.

Freedom of Information

MR. McFARLAND: Thank you, Mr. Speaker. I might change the tone a little bit and get to an MLA constituency concern. From 1992 to 1996 I would ask for a list of graduating students in Little Bow and send a letter of congratulations and best wishes to each of the grade 12 students. I can't recall a negative or adverse comment on my efforts to recognize these student milestones. Towards the end of 1997 and already this year a similar list of graduating names only has been refused. My question is to the minister responsible for the freedom of information. Why can't I obtain a name-only list of Little Bow graduates from the school or their school board so I can at least send each student their letter to their high school to recognize their educational accomplishment?

MR. SMITH: Good question, Mr. Speaker. As it stands now, section 38 of the Freedom of Information and Protection of Privacy Act deals with this. It currently makes no provision for this type of information to be released. Schools are not covered by the freedom of information act but will be covered as of September 1, 1998. It does appear that schools are beginning to conduct themselves to the letter of this legislation and doing their business within the spirit of the law at this point. By rejecting the hon. member's request for this information, they are following the current legislation that will soon apply to them.

MR. McFARLAND: Thank you, Mr. Speaker. Since the minister seems to be aware of the situation, can he advise this Assembly what can be done to change or to scrap this particular section of the freedom of information act that would in the future allow a release of this particular valid type of information?

MR. SMITH: Thanks, Mr. Speaker. As a matter of fact, I think the member reflects two achievable options: revise or scrap. I think the point we're looking at here is an act that effectively balances the right to access information with the right to protect personal privacy. I know that this is going to be an issue now, particularly in light of the importance of recognizing, you know, significant student milestones by an elected representative. This issue now is sufficiently significant to be addressed by the all-

party committee that will be reviewing the FOI act this year and will be brought to the attention of the chair, who will be the hon. Member for Peace River.

MR. McFARLAND: Thank you, Mr. Speaker. My final supplemental: not only will this restrict me, but, Mr. Minister, will this also restrict similarly ministers of Education and Advanced Education and Career Development in acknowledging student and graduating university/technical student accomplishments, awards, and the like?

MR. SMITH: Mr. Speaker, I think that's a significant question because it talks to the intent of the legislation. It talks also to the balance of the legislation. More importantly, it talks to Albertans dealing in their usual, good, commonsense manner, and I think that there can be a balance achieved. That's what we're going to look for in this review, where we can find this balance where respected, elected representatives in their area can recognize significant achievements by students and other parts of the educational community so that proper respect could be noted in the community as it takes place. I'm very pleased that the member has brought up the question and that we can address it in the committee review.

THE SPEAKER: The hon. Minister of Advanced Education and Career Development would like to supplement an answer given earlier during question period.

Student Finance

MR. DUNFORD: Thank you, Mr. Speaker. Yesterday afternoon in question period in answer to a question regarding student finance from the Member for Calgary-West, I was making a reference to the Alberta opportunity bursary. I indicated that I believed that as we were speaking, applications were available. I need to correct the record in the sense that we're trying to make a process as simple as possible so that young people in financial need can actually avail themselves of this bursary. So applications will not be ready until the end of April.*

THE SPEAKER: Hon. Member for Calgary-West, under our protocol once an hon. minister has supplemented an answer, the hon. member may ask one brief supplementary question.

MS KRYCZKA: I may? No, I appreciate the correction. Thank you very much. I don't have a question.

head:

Members' Statements

THE SPEAKER: Today, hon. members, three hon. members have indicated their desire to make a statement. We'll proceed in this order. First of all, the hon. Member for Red Deer-South, followed by the hon. Member for Edmonton-Manning, followed by the hon. Member for Innisfail-Sylvan Lake.

Alberta Winter Games

MR. DOERKSEN: Mr. Speaker, what do Becky Scott, Steven Elm, Kristy Sargeant, Kurt Browning, and Michael Slipchuk have in common? The answer is that they are all Albertan Olympians, and they are all participants in Alberta Winter Games. This evening with the opening ceremonies the city of Red Deer will play host to the 1998 Alberta Winter Games. This event allows our province's best young athletes from ages 12 to 17 to experi-

ence high-calibre competition and meet new friends from across the province. The games are also a springboard for some of our athletes to go on to competition at the national and international levels like the aforementioned persons.

More than 2,800 athletes and coaches are coming to Red Deer for this special event. For our young competitors participating in the games is a result of hours of training, dedication, and a desire to be the best that they can be. We can all be proud of their accomplishments.

2:30

The city of Red Deer has rallied around the games and is ready to welcome competitors, coaches, officials, and spectators from across the province. Thousands of local volunteers, corporate sponsors, and volunteer sport associations have contributed time, financial support, and know-how for the games. I am proud to say that there is no shortage of community spirit in Red Deer.

A special thanks to Mr. Tom Ganger and his organizing committee for their tremendous work. On their behalf I also wish to thank the Alberta Sport, Recreation, Parks and Wildlife Foundation for their support of these games and for their interest in the young people of Alberta.

Events like the Alberta Winter Games inspire young Albertans to set goals for themselves, learn about teamwork, and work toward a higher level of physical fitness. These are goals that will keep them healthy and serve them well in the years to come.

I send my best wishes on behalf of this Assembly to all the participants competing at the games. They are definitely Albertans we are proud to call our own.

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

Municipal Grants

MR. GIBBONS: Thank you, Mr. Speaker. This provincial budget has totally ignored the key message of last September's Growth Summit. I'm very concerned with this government's total lack of concern with the fate of Alberta local municipalities. When will this government realize that our physical infrastructure is the key to Alberta's future? What should be recognized and respected is that Alberta cities, towns, villages, and municipal districts have been extremely good fiscal managers since 1992 when they are faced with almost continuous budget cuts and off-loading.

As I travel through Alberta meeting many cities, towns, villages, and municipal councils, one theme is prevalent. They question whether this government is actually listening to their very valid concerns regarding infrastructure improvement that is vastly overdue. It appears that this government is using these onetime infrastructure grants to try to hide the fact that municipal off-loading and downloading will continue.

Let us examine what is really happening. The unconditional grant from Municipal Affairs is being reduced by \$56 million in 1997-98 and \$36.6 million in 1998-99. Financial support to local authorities is reduced from \$497,000 in 1997-98 to \$363,000 in 1998-99. Municipal Affairs established a new \$10 million municipal assistant grant program to help eligible municipalities with capital projects and other nonrecurring needs.

In the same breath, Mr. Speaker, the new program is offset by reducing other grants. In fact, support to municipal programs under Municipal Affairs will continue to decline from \$128.652 million in the 1997-98 budget to \$116 million in the 2001 budget, an additional downloading and off-loading of \$12.6 million.

Mr. Speaker, it is evident that the local governments have been

* see page 411, right col., para. 11, lines 1 and 2

betrayed yet again. This budget is just another make-the-population-feel-good budget by giving out another tax cut while ignoring the very real problems that they have caused in our rural areas.

Thank you, Mr. Speaker.

THE SPEAKER: The hon. Member for Innisfail-Sylvan Lake.

4-H Clubs

MR. SEVERTSON: Thank you, Mr. Speaker. I believe that our young people are the future of our province, and to me one of the best ways to invest in the young people of our province is to encourage them to get involved in Alberta's 4-H program.

Mr. Speaker, it's been demonstrated time and time again that involvement in 4-H programs gives a youth a brighter future. You need to look no further than the recent survey of 4-H alumni to prove this point. In that survey, over 80 percent of 4-H alumni reported at least some postsecondary education, compared to the 44 percent Canadian average. There's more. More than 83 percent of 4-H alumni reported that they were working either full-time, part-time, or were self-employed, compared to the national average of just under 65 percent. The bottom line is that Alberta 4-H alumni are productive, responsible members of society, and I think they deserve our respect and recognition.

I also believe that businesses in Alberta which support 4-H club leaders deserve our recognition. There are over 70 corporate sponsors that contribute more than \$500,000 to 4-H programs, and we should be proud of all of them. I'd like to congratulate one company in particular, and that's Lammle's Western Wear. This company has locations throughout the province and last year contributed more than \$40,000 to Alberta 4-H programs through a number of different ways. Recently, Lammle's presented a cheque for more than \$16,000 to Alberta 4-H and sponsors a variety of 4-H programs.

Mr. Speaker, in closing, the Alberta 4-H program is top quality through and through. It produces young Albertans who are skilled to take on challenges in their communities and in agriculture and the food industry. I believe that everyone who is involved in Alberta 4-H programs, whether as a member, a leader, or a parent, deserves the congratulations and admiration of this House.

Thank you.

head: **Projected Government Business**

THE SPEAKER: The hon. Opposition House Leader.

MR. SAPERS: Thank you, Mr. Speaker. I would request that the Government House Leader do now declare the government's intent for the order of business for next week.

MR. HAVELOCK: Yes. Thank you, Mr. Speaker and Opposition House Leader. Monday afternoon we will be dealing obviously with Government Bills and Orders, Motion 16, and we will also be dealing with Motion 18, the Ombudsman appointment. We are going to be looking at third reading of Bill 1, where we refer it back to committee. The Opposition House Leader is well aware of the issue there. At Committee of the Whole we will make an amendment to Bill 1 and then send it back to third reading. We'll also be dealing with Bill 16, the Appropriation (Supplementary Supply) Act, 1998, and then whatever else is on the Order Paper. In the evening we are looking at subcommittee C and subcommittee D meeting, and then Committee of the Whole, Bill 16 again.

Tuesday the 24th, in the afternoon we're looking at third reading on Bills 1, 4, 6, 8, 9, and second reading on Bill 3, as per the Order Paper, if we get through all of those. That evening we will be dealing with subcommittees A and B regarding the main estimates and third reading on Bill 16.

Wednesday evening we will be going into subcommittees D and C and then as per the Order Paper, if necessary.

Then on Thursday we will be looking at Royal Assent on Bills 16, 7, 10, 11, and as per the Order Paper. In the afternoon we have the main estimates designated for the Provincial Treasurer.

THE SPEAKER: Hon. members, prior to dealing with the points of order that were raised today, might we revert briefly to Introduction of Guests?

HON. MEMBERS: Agreed.

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

THE SPEAKER: The hon. Member for Drayton Valley-Calmar.

MR. THURBER: Thank you, Mr. Speaker, for accommodating this very important introduction. We have 32 very bright young students from the Warburg school in the Drayton Valley-Calmar constituency. Today these 32 students are accompanied by Gladys Meinczinger, their teacher, and Keith McKay, their bus driver. I would ask that after your long wait here you stand and be recognized and receive the warm welcome of this House.

THE SPEAKER: The hon. Member for Bonnyville-Cold Lake.

MR. DUCHARME: Thank you, Mr. Speaker. It gives me great pleasure to introduce to you and through you to all members of the Assembly a constituent of Bonnyville-Cold Lake, Mr. Ernie Isley. Mr. Isley served the people of Alberta as the MLA for Bonnyville for a period of 14 years. During his political tenure in this Assembly, he also served as a minister of the Crown. Mr. Isley is seated in the Speaker's gallery, and I'd ask him to rise and receive the warm welcome of this Assembly.

THE SPEAKER: I believe we have two purported points of order. Opposition House Leader.

Point of Order
Parliamentary Language

MR. SAPERS: Thank you, Mr. Speaker. I'm rising on a point of order that arises out of the exchange during question period between the Treasurer and the Member for Edmonton-Mill Creek, my colleague.

I will cite a couple of authorities. First, *Beauchesne* 417: "Answers to questions should be as brief as possible, deal with the matter raised and should not provoke debate." I'm referring to the words of the Treasurer in answering the question and which included "trained seals" and then again the word "seals."

2:40

I'd also like to quote for you *Erskine May*, page 287, under the heading: personal reflections. It says:

It is not in order in a question to reflect on the character or conduct of those persons whose conduct may only be challenged on a substantive motion.

Now, *Erskine May* is referring to questions but by extrapolation

– and it's been used before by other speakers – questions and answers. I understand that some of the prohibitions in *Erskine May* and other authorities happen to be somewhat interchangeable.

Later on in *Erskine May*, page 295, in the section that is titled "Oral answers and supplementary questions":

An answer should be confined to the points contained in the question, with such explanation only as renders the answer intelligible, though a certain latitude is permitted to Ministers of the Crown.

I'm not sure that that certain latitude, however, Mr. Speaker, would extend to the use of unparliamentary language, and I will now direct you to *Beauchesne* 489, where it's very clear that the words "trained seal" have been ruled on several occasions to be unparliamentary.

Mr. Speaker, the Treasurer has a nasty habit when he's put into a corner, when he is asked a difficult question that he doesn't want to answer. Instead of just having the internal and intestinal fortitude to stand there and say, "I don't want to answer," he gets personal, he gets nasty, he starts calling names, and he brings this entire House into disrepute. The Treasurer has been warned about this several times, and he persists in this juvenile behaviour.

Mr. Speaker, I think that it's about time the Treasurer stood here, apologized for his behaviour. [interjection] He's offering to resign. No, I don't want him to resign. Frankly, the longer he's Treasurer, the better it is for the Official Opposition, so I don't want him to resign.

I would like him to withdraw those unparliamentary remarks, and furthermore, I'd like him to sort of reel himself in and constrain himself from those personal attacks and personal epithets, which do nothing to further debate.

MR. DAY: Mr. Speaker, the Opposition House Leader, who gets \$10,000 a year extra beyond his pay to stand up on Thursdays and ask what the projected order of business is . . . [interjection] I think I have the floor. You know, I sat very quietly and respectfully and listened to every misguided word which the whining member opposite hurled across the floor. [interjection] He's still going on. Listen to him, Mr. Speaker. I sat the whole time and listened quietly. [interjection] He's still talking; he's still going. Are you done yet? [interjection] Keep going; tell me when you're finished. Let the Assembly know when you're done. [interjection] He's still going. I sat and listened quietly the entire time. There. Thank you for being quiet.

Now, Mr. Speaker, I would like to say that while I was very clearly answering the question, very clearly for the second day – so that would be the fourth time – what was happening across the way, which is not always recorded by the television camera and sometimes is picked up through the audio mechanism here, is always seen by the students. What was happening was the usual very high-sounding, shrill, chirping, barking-like sounds coming from the members opposite, and it was quite a chorus. It happens every day. This should be on the record.

Also what happens almost every day is the member opposite gets up to try and earn his \$9,500 stipend. Our House leader gets no extra money for the hard work that he does. This gentleman, the hon. gentleman across, gets \$9,500 of taxpayers' money to stand up almost every day – if it's not me, it's somebody else who didn't answer a question fast enough or we didn't stand at the right angle.

Now, what I heard today and what was heard by all members was a chorus of shrill chirping and barking-like sounds that were coming from across the floor. In my mind it sounded like seals. I thought I said "untrained," but in fact they may have been

trained seals. Mr. Speaker, I like seals. They're nice puppy-like animals, and they do serve a purpose in the environment. They eat the scrap that's thrown out, they consume decaying matter that's floating around, and they are cute, very cute little animals.

I will say to you with all sincerity that when I heard again, as we heard yesterday, the shrill chirping sounds mainly coming from this member here, I was reminded of trained seals. I'll tell you honestly that until this moment I did not realize that on March 6, 1961, somewhere across this great land a Speaker of the House said: should not say "trained seals." Mr. Speaker, I withdraw "trained seals."

THE SPEAKER: I think that matter has been dealt with then. The remark has been withdrawn. [interjections] Sorry; sorry. I'll provide an explanation. A point of order was raised. The remark has been withdrawn, which means that the point of order has been won. Now, what more is there to be said on the matter? I'll sit down, and, hon. Opposition House Leader, if you wish to question the rationale, I'll provide it to you. Please, go on.

MR. SAPERS: Mr. Speaker, you're correct, of course, in your judgment and in your ruling because he withdrew the remarks. But while everybody has the chance to review *Hansard* and they'll get to see the quality of the interventions of the Treasurer and the rationale and the pettiness and the arrogance, then they'll make their own judgments . . .

THE SPEAKER: Please, hon. member. I indicated that I would be prepared to provide an explanation for the conclusion I reached. I was listening to you very attentively, and I don't think you were asking a question.

MR. SAPERS: No. I agreed with you. You're right.

THE SPEAKER: Okay. Very good then.

The hon. Member for Spruce Grove-Sturgeon-St. Albert.

Point of Order Allegations against Members

MRS. SOETAERT: Thank you very much, Mr. Speaker. Under Standing Order 23(h). When the minister of transportation was responding to my question, I do believe that there were some allegations made against me on two points: implying that I may not be present at a committee meeting and that I didn't understand the difference between project plans and funding for municipal grants.

So on those two points. If the minister were to look at some of the arguments about trying to be in two places at once, that's part of the issue of being in two places at once, because when Transportation is up, also Advanced Education is up, which is also a concern in my constituency. Now, because I'm young and agile, I can go from one committee meeting to the 5th floor and speak on both maybe, if there is time.

However, there is a part of *Beauchesne* that does say that we are not to mention if someone isn't present. Now, that could be because maybe somebody has an illness; maybe somebody has something going on in their family or some constituency work that they are part of. There are many reasons why people may not be in the House. That is why that is in *Beauchesne*, and that's why on days when the minister may not be here, I don't ask a question to an empty chair, because then the entire province would know that the minister of transportation isn't there. That's why we

don't allude to that in this House, as part of *Beauchesne*, and that's because we're regular human beings and in the course of our lives these things happen.

My second point is that he obviously thinks I don't understand the difference between project plans, which he gave me yesterday – I really appreciate that, and I said so – and funding to municipal grants. If the minister were to look at his own budget, he would see that in 2.4 and 2.5 there is a cut of \$30 million to municipal funding infrastructure. So I'll table four copies of this, just in case he lost his budget book.

Mr. Speaker, I would once again mention especially the issue of committee work. This government knows well that we often have two departments going on at one time and that we will be expected to be in two places at once. Especially as the opposition, I have every right to question many departments, all departments, yet two will be heard at the same time. So the minister knows that that was implied, and I would request that he withdraw that, because if one were to look in *Hansard* at the amount of participation I have played within this Legislature, my speaking to different issues would outnumber 10 to 1 any backbencher of this government.

Thank you.

2:50

THE SPEAKER: The hon. Government House Leader.

MR. HAVELOCK: Thank you, Mr. Speaker. I know that the minister of transportation would like to supplement; I'll be very brief. It is true that *Beauchesne* refers to one member not disclosing or discussing another member's lack of attendance at a meeting. However, that's not what the minister said. The minister was simply expressing some concern as to whether or not the member across the way would be attending a meeting in the future. So there is no point of order because what she is arguing is not covered by *Beauchesne*. The minister is simply trying to encourage the member to attend the meeting.

The second point, regarding what the minister perceived to be a misunderstanding on the part of the other member. He went on to explain in his answer what he felt was accurate information. I guess, Mr. Speaker, what's a little frustrating is that the members on the opposite side tend to use points of order as a means to clarify what would be standard questions. They don't like the answers they receive, quite frankly, because the questions are usually very confusing and not direct and quite often difficult to provide a reasonable answer for.

Nevertheless, I know that the minister of transportation wishes to supplement. He will clarify again, I'm sure. Perhaps the hon. member across the way in the future would read the information that's sent to her before, which the hon. minister indicated he had sent to her, and we wouldn't have questions in question period which result in weak and useless and frivolous points of order.

THE SPEAKER: The hon. Minister of Transportation and Utilities on this purported point of order.

MR. PASZKOWSKI: Thank you, Mr. Speaker, for allowing me the opportunity of responding. Certainly there was never any mention that the hon. member may not be present. What was said was that the hon. member is invited to be present, and I think that's a rather gracious approach to the situation. I find it very strange that someone would be imputing motives that indeed were never even considered on this side of the House. Nevertheless, I see absolutely no point of order.

The question that was asked: have there been distinct cuts made? I pointed out to the hon. member that there's actually been additional money put into the budget and then invited the hon. member to come to the estimates, that the explanation would be made there, which is the normal process of explaining the budget. Now, I see nothing extraordinary here. I don't know what more could have been said or done or a better way of presenting this particular situation.

As far as changes in the budget are concerned, that was acknowledged. There was never any question that there aren't some changes. That's been acknowledged. That will be discussed, and the opportunity for debate will be there on March 4. What more can be asked on that?

THE SPEAKER: Hon. members, this Speaker believes it's very important that all hon. members should have the right uninhibited to seek information and that all hon. members who are in positions with Executive Council should have the right to offer explanations if requested by an hon. member. In other words, there's great leeway. But from time to time there are some interesting areas that an hon. member can get into, and when that area almost is an introduction to a budget debate, it can lead to some widening of, one, the intent of the question and also widening of the response.

The hon. Member for Spruce Grove-Sturgeon-St. Albert today moved the Speaker about an inch and a half in the chair wondering whether or not he should intervene and say: is this perhaps in the area of budget debate rather than seeking new information? But again, the chair waived on behalf of the opportunity for the hon. member to seek that information. That then of course gave the hon. Minister of Transportation and Utilities the opportunity to provide an explanation.

Beauchesne is very, very clear under 481(c) that an hon. member cannot "refer to the presence or absence of specific Members," and it's very true that such is not the case today. There was not a reference to the absence or the presence of a member. What was being discussed today was an event that may occur in the future, and as far as the chair is concerned, this event may be scheduled as of now, but it may be canceled as of now. Whether or not the member would attend this event that may or may not be is an unknown until the event does actually occur, and then the hon. member either goes or doesn't go. *Beauchesne* doesn't cover that. So I would have to suggest that there is no point of order on this point, and I suggest that, again, there was an opportunity for an hon. member to raise a point, have a discussion.

But a greater point for all of this business, and it has to do with decorum. It is Thursday, but gee willikers, gee whiz, we all can find a higher level from time to time, always can find a higher level.

head: **Orders of the Day**
head: **Government Bills and Orders**
head: **Second Reading**

Bill 16
Appropriation (Supplementary Supply) Act, 1998

THE SPEAKER: The hon. Provincial Treasurer. You're on, hon. minister.

MR. DAY: Mr. Speaker, I was exhausted from the previous exchange.

Mr. Speaker, I am pleased to move for second reading Bill 16.

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

MR. ZWOZDESKY: Thank you, Mr. Speaker. I'm pleased to rise this afternoon to enter debate on Bill 16, that being the Appropriation (Supplementary Supply) Act, 1998, which requests the additional expenditure of several million dollars here from at least 10 different departments. How many million? Several million anyway.

[The Deputy Speaker in the chair]

I want to start by just addressing the area of Transportation and Utilities, which I have not yet had a chance to do in the House. My reason for doing that, Mr. Speaker, is because I'm deeply interested in what is going on in my own riding with respect to transportation connector routes that tie together Avenue 45 and the Whitemud freeway with highway 14. I was wondering whether these supplementary estimates in some way might reflect that particular extension. It's what's called the extension of the Whitemud freeway or the ring road or the transportation/utility corridor.

In looking at Bill 16, I note that Transportation has budgeted an additional \$134 million for expenditure. The city of Edmonton, as I understand it, has requested additional funds for the completion of that particular leg which I've referred to and at the same time for the extension that ties in with the larger perimeter plan for the city transportation department, and that is the transportation/utility corridor. I'm not sure if these supplementary estimates provide for that or not, but I am hoping that some clarification will be found.

In particular, I'm looking at page 63 of the supplementary estimates of the department of transportation, as referenced in this Bill. Page 63 of the transportation department summary does indicate under program 4, partnerships for municipal and rural utilities, and right above that, construction and operation of transportation systems, that there's approximately \$96 million being provided for there. Now, just to be clear, what I'm referring to here, Mr. Speaker, is the connection that would complete what we would call a perimeter road around the entire city of Edmonton. It's on about a 10- or 20-year plan, but it's been in the planning stages, on the planning books for years, and I'm afraid that by the time that plan might get implemented, they're going to need a new plan.

3:00

I have discussed this with city of Edmonton transportation department officials. I've been to their meetings. In fact, last year the former minister of transportation and I had a meeting in my riding, which I was very grateful for. That was the Member for Wainwright. We discussed the tie-in specifically around highway 14 and the transportation/utility corridor and the outcropping of a two-leaf clover at the junction of highway 14 and the Whitemud freeway. Subsequent to those discussions, Mr. Speaker, the hon. minister of transportation did agree with his able staff to in fact upgrade the interchange at that location, sensing that it needed to be more than just a figure eight. So they've given us a complete four-leaf clover on the design and plan of that particular location.

However, there remains one very large outstanding difficulty just a little bit north on highway 14, which marks the extreme east boundary of the Edmonton-Mill Creek riding, that I'm very proud to represent. That is right in the area of a small UFA Co-op station there which is going to be bypassed for northbound traffic

because they're shutting off the access lane there. I was hoping that in this department's summary and through this appropriation, perhaps the minister, when responding to these comments and questions, might give that area a look now that he's the new minister and appreciate the fact that the former minister was in fact out there for a meeting with me and a number of constituents concerned about the transportation in that area and, more particularly, concerned with the access that residents have.

The residents are living on both sides of highway 14, on the east side and on the west side. But let me speak directly about those on the west side, because they are my constituents. What has been described as the newest version of the plan there fails to address the in-and-out access of the Hurstwood Estates residents. Now, there are some 20 or 30 families who live in that area. The problem, Mr. Speaker, is that there's only one entrance into and, obviously, one exit out of that area. So from a transportation point of view, the residents in that area have a huge concern that not only is there the obvious lack of convenient in-and-out traffic there, but there's the greater difficulty of allowing emergency vehicles, should it become necessary, to come in and out quickly from that area. In particular, with policing, for example, they wouldn't have the ability to get to that location if they were coming north on highway 14. They would have to go all the way up another mile or so, do a U-turn, come back down, and access it from the southbound lane. Similarly with ambulances or with fire trucks. So it's a huge concern to the hundred or so residents of that immediate area along Meridian Street.

I'm hoping that the transportation minister will take this under advisement and try to correct that. One of the suggestions that was advanced to the former minister – again, the notes would be there somewhere in the department – was perhaps the inclusion of a culvert or something like that that would connect east and west commuters across highway 14. If that doesn't work, then perhaps there should be some other provision to allow northbound traffic in and out.

I should say, Mr. Speaker, that we have done a lot of monitoring of traffic flow in that area, and that particular intersection, just outside the UFA Co-op along highway 14, is a very safe intersection. In fact, there have been very, very few fender benders of any sort there. So when the former minister and I were meeting with the group there, a number of these points were raised. I'm hoping the new minister will pick up where the former minister left off, and that was with a view to try to help resolve the problem there.

The other major problem from a transportation point of view is surrounding farm vehicles, the larger sprayers and the larger seeders that the farming community needs to transport along our highways. It's always been my feeling that, where possible, common sense has to prevail to try to help these slower moving and rather cumbersome vehicles to manoeuvre safely along our roadways. If we can keep them off these main arteries by providing them an alternative route, I think everybody benefits.

You see, we have the situation in that part of the constituency, Mr. Speaker, where some farmers live over on the west side of highway 14 but own farmland on the east side. At the moment, they don't have a problem. They travel down a parallel service road, cut across highway 14, go over to the east side and do their work, and then return at night or whatever. The way that the program for the transportation/utility corridor is being designed right now, these people would have to travel far to the south to get across to the east side or would have to travel far to the north to get across to the east side. They can't go directly across there.

That, I think, down the line is not just an inconvenience to them, but more importantly there's a safety feature involved there because they would be blocking up rather the entire service lanes at the moment unless something is done to allow them to get across faster. So that small point on transportation is something which I hope the hon. minister will look at.

The other point, just to finish off that end of my constituency from a transportation point of view – and as I look at this bill, I'm hoping that something can be done through this bill to address the concern – is the tie-in south of the Whitemud freeway and highway 14 down to Avenue 23, which will effectively become the final leg of the transportation/utility corridor that will ring the city of Edmonton. Eventually it'll tie in with Anthony Henday Drive. I was encouraged to read somewhere just in the last day or two that the new transportation minister in conjunction with the city council have in fact ironed out a deal now for at least one more connecting bridge north/south across the Saskatchewan River somewhere to the south or to the southwest of Anthony Henday Drive, in the far west end of our city. That will then connect down south past Ellerslie Road or 23rd Avenue, in that neighbourhood, and eventually come over to the east and tie in with highway 14. I would really like to know from the minister whether or not this new schedule contemplates the first or the initial step in that particular phase of expansion for the transportation/utility corridor.

The other point that just flew to mind, which I had temporarily forgotten about, Mr. Speaker, is the transportation difficulties that continue to exist at Whitemud freeway and 34th Street. Now, this is much more a municipal issue as such than an issue perhaps for us as MLAs, but it is in the heart of my constituency there, and I did promise at some point to raise it here. Because it's a cost-shared project between the province and the city – I can't recall the split, 75-25 perhaps or 60-40, somewhere in there. It just seems that there's been a change in plan yet again there. We're not sure yet what it is that the province and the city are going to be doing there.

Just to give you the quick background on it in a nutshell, Mr. Speaker, 34th Street runs north and south at that point, and the Whitemud freeway cuts across 34th Street. There were discussions as to whether the Whitemud freeway should go over the top of 34th Street in an overpass fashion or continue underneath. So they started on one plan to make it go underneath, and they stockpiled all the dirt off to the east side there; I'm not sure what they had in mind. Then it seems to me that another study was done, and they decided against going underneath. So they changed their mind, I believe, and thought they might go over. Right now I'm not sure and a lot of residents who are calling me on this aren't sure what the current status of that is and what the current plan is. Maybe the minister could clarify in his rebuttal shortly what the exact plan for 34th Street and the Whitemud freeway is. Is that contemplated in this Bill 16, which is before us today? If it is, then I'd be very happy to hear that and to have him comment on it further.

I don't think there's anything else in the transportation area that I was going to comment on at this stage. I'll await the outcomes there.

3:10

I would like to just briefly turn to Municipal Affairs, which is also covered in Bill 16, and just advise the hon. minister that I did listen intently to her discussions yesterday. I think there are some good initiatives that we're going to be following there.

I would like to ask the minister whether she's aware of and/or

is accumulating what I have heard is the growing hidden deficit at the municipal level insofar as some of our infrastructure programming is concerned. I think, hon. minister, it breaks down into two areas. From the councils that I've heard from or met with or spoken to in Banff and on other occasions, I understand there is a growing concern that there are insufficient moneys, on the one hand, for planned improvements or planned upgrades or for general maintenance, and as a result of pressures on dollars at the municipal level many of those projects have been put on hold. That's just straight maintenance-type projects, hon. minister. On the other hand, I understand that brand-new projects, which would be not at all maintenance projects, that were contemplated to come onstream have also been delayed and in some cases perhaps even curtailed. The phrase that was raised was, "We're accumulating a hidden deficit," to whatever degree I don't know, because every municipality is a little bit different.

Under your nonbudgetary disbursements of \$2 million or thereabouts I'm wondering whether there is some ability for the minister to take a look at what it is that is going on, particularly in the larger municipalities, where I think there's a tremendous need for us to look at these upgrades and maintenance programs. We all know about Edmonton being the pothole capital of Canada and things like that. You heard some speeches yesterday, hon. minister, with respect to what causes the roadways to deteriorate.

We know that we're going through at least a miniboom. Edmonton may not be experiencing it directly or benefiting from it directly, as an example, but we are the gateway through and to the north, as you know, and we're experiencing a tremendous increase in traffic, particularly heavier traffic, some of it dangerous goods route traffic, some of it servicing the petrochemical industry, and some of it manufacturing-related and so on. The point is that we are experiencing more and more deterioration of our roadways, and I think, unfortunately, less and less is being done.

I don't know what the magical answer is, Madam Minister. I'm just asking: could you please look into this? I can tell you with all sincerity that municipalities are concerned with this growing hidden deficit. I think it goes without saying that they've been pretty good ballplayers with the province of Alberta over the years, and I think it also goes without saying that they probably wish to continue to be. It's to their mutual benefit, if you will. We can't continue to ignore them the way that they say they have been. Now, that may not be all of them, but the ones that I heard from certainly – well, you know how the business goes, Madam Minister. You tend to hear from the ones who have the complaints. So if you could please address that.

I have other comments that I'd like to address, but I'll hold those until a later time, and with that, I'll pass the torch over to one of my hon. colleagues to press on. I look forward to some answers to those questions in the near future.

Thank you.

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

MR. WHITE: Thank you, Mr. Speaker. Supplementary estimates, as I understand the process, is a process by which the funds that are available for disbursement towards the end of the year are disbursed in a manner which distributes the funds to best advantage for those in the province throughout the entire government agenda, which goes through virtually every department. What I don't see is how the priorities were arrived at and do question a great deal of those priorities.

The one priority that I do understand would be to those areas

that simply could not be budgeted, the areas where a department has no idea what is to be coming down the pike that they'll either have to pay for administratively or have to pay out. The area that I do see as legitimate – and I bring this up by way of contrast – is the area in Intergovernmental and Aboriginal Affairs. It deals with some \$10 million put forward to the settlement of a land claim of the Loon River Cree band. That was obviously something that had been worked on, as we well know, for years and years and years. This particular budget year it came to fruition. The payout was agreed upon and was paid out. That, to me, is a legitimate nonbudgetable expense, where a department can say: "Yes, this is special; this is a little different. Therefore, we should use supplementary estimates in order to pay for this." I point to that by way of contrast.

I point to some others, and I'll start with perhaps where my hon. colleague left off: Transportation. I mean, here is the classic case. Do we have a budget item that's called disaster services in the transportation department? Every year the estimate is somewhere around \$3 million, as it is this coming year, yet there's \$35 million to \$40 million and sometimes \$50 million expended. I point to a supplementary estimate that is a legitimate expenditure. It's a wise expenditure: \$2 million in order to aid and abet the recovery from the grass fires in southern Alberta. Legitimate. A million dollars expended to ship generators down to eastern Canada, to Ontario and Quebec. A legitimate expense. The disasters in the Peace River country. That happens every now and again in that country. I would point out that a couple of years ago there was a disaster that occurred in Medicine Hat that needed some assistance. Yet this government continues to budget \$3 million annually. Now, that to me displays either an overoptimistic position, which the Treasurer keeps telling us is not the case because he estimates the income to be low and conservatively low. So I point this out and say: look; this is not the place, as I see it, to deal with these kinds of expenditures.

Now that we're in the transportation department, I will speak to an area that concerns me a great deal in that my constituency is in the northwest quadrant of this city. With the expenditure, the advance payment of some \$25 million out of the budget year in question, in advance of some other work, I say: look; if we're having this north/south corridor that must go through the city of Edmonton until such time as the bypass goes around, well, then the least that could happen is that the route called Anthony Henday Drive, that connects highway 16, which used to be 16X – the highway goes right through to the Whitemud freeway, which is a truck route. Currently, they have to go by the biggest mall in the world, have to go through umpteen dozen stop signs and right within metres of six communities.

Now, if there is some expenditure to move capital goods from northern Alberta to southern Alberta and then through to the United States, you'd think that that would be a place where expenditures would occur. Yet it's seven years late. They're just initiating the work and getting the work on-line this year in order to get some of the capital work done. Now, that is really, really faulty thinking if you think that you can expend that money instantly by turning the tap on and off. There has to be something said for some consistent planning, particularly transportation planning. I applaud putting \$25 million in now as supplementary estimates. But it's not only a year late within this budget; it's three years late in other budgets. That says nothing of the upgrades to highway 43 from 16 to perhaps Whitecourt. That's perhaps six or seven years late also. Now, I don't know how we think we're saving money in the supplementary estimates by

putting funds in at this time when it should have been budgeted for legitimately at the time.

3:20

Another area that concerns me is Advanced Education, not so much what is in the supplementary estimates but what is not. Here we are, the Advanced Education budget. The Personnel Administration Office has gone from \$7.4 million to \$31.3 million. Now, somehow or other budgeting missed the boat here. Setting aside the budgeting, because I'm sure the minister will want to explain that at length, the point here is that those moneys were not expended on students. I don't know how many times I've sat in this house, listened to different ministers tell this side of the House how much of the money is going directly to the students, going directly to the classrooms, going directly to the place where it's going to do the most good for the future of Alberta, the future of Canada, the future of the world. Well, blah, blah, blah; that's obviously not the case. When supplementary estimates come back and we need \$23.9 million to add to the Personnel Administration Office, something's not quite right in Dodge here.

A revelation here. Now, the average soul reading this might say: this sounds quite legitimate to me, moving \$8 million to support for adult learning from support for adult learners. That's wonderful, that really tells a lot. I mean, you have to be a learned soul to be able to read that line and understand it, I tell you. Something is lacking in the transmission of information. If this is what's being taught and being conveyed in our universities, I mean, I'm telling you that we're missing it here. [interjection] I suppose what the minister is indicating is that perhaps we should spend more money on the Personnel Administration Office in order to get the communication a little better so that the average student would be able to understand what it means.

I see the Premier looking at me rather perplexed. He may not have the answers either, but he may ask you for an explanation of what it means.

MRS. SOETAERT: Cabinet shuffle.

MR. WHITE: Well, no, we don't want to do that. It's the wrong time of year for that.

Moving on to Education. The expenditures here in the supplementary estimates: although commendable, it's odd that they would be spent now as opposed to putting the funds in the budget to begin with. You know that there are crying needs for expenditures when you have to spend \$6 million because you had more student enrollment from grade 1 to grade 12 than you anticipated. Wait a minute. Isn't this the government that keeps telling you that there's massive growth and we're tracking it and we understand how many people are coming across? And then you don't even count on them going to school, and after the fact you have to put money in it. Oh, major slipsies here. Come on; we can do much, much better than budgeting for \$6 million and deciding after the fact. Perhaps the money should have been there in the first place.

There's another \$6 million, and it's something in higher budgeting for growth and the number of average course credits for high school students. Well, you have to understand that if you're a high school principal, what you're trying to do is get a number of credit courses there so you can get some more money for your students. If that's the way you have to play the game in order to get money, well, you know that they're going to adapt the game to be able to attract more money. It certainly takes a little less

than rocket science to figure out that the schools need more funds in this province and that in order to get it, they have to play games between the schools and the administration of these funds. Now, it's not the way you run a good ship.

Speaker's Ruling Decorum

THE DEPUTY SPEAKER: Hon. members, we appear to have several debates going on at the same time. We are debating at length Bill 16 at this time. I wonder if other hon. members who wish to debate would go to the reception areas that are around the Chamber and let the hon. Member for Edmonton-Calder continue.

Debate Continued

MR. WHITE: Yes, and I shall continue. I'll leave Education for the moment and move on to Family and Social Services. There are some funds here – and I'm not sure how this works – where money is transferred out. Perhaps I'm going to have to talk to the minister on this one, because there are just too many questions around a relatively small amount of money for the exchanges.

The fundamentals are that supplementary estimates, if the trend in the rest of the document is any indication, are used by this government to patch holes or to repair some damage or to put some funds where some pressure points are. Here we have an area that spends, I think, the third highest expenditure in government and has nickels and dimes for changes, a really, really small amount of changes, and they're internal changes.

Well, if there's ever a need or a pressure point in this province, all you have to do is go to a food bank. You might have to disguise who you are, because they might recognize you and lynch you. You have to go there and stand there and talk to some of the people that come by and find out that there are big, big problems in here. I can deal with it, and so can you probably deal with it if it's adults that are coming by, but those people are coming by to pick up food for their children. Those are the ones that have the wherewithal to get down there to get the food. It's the other ones that don't even get there. Sometimes I have to deal with those. Actually, there are two kids that I have on a soccer team that need that kind of help, and there are three other parents on that soccer team that help them out. This government says: "Hey, there's no problem here in the funding of social services. We don't have to change anything at all. We predicted a year and a half ago what we were going to spend and, boy, we spent it, and we solved all the problems."

Well, Mr. Speaker, I'll end my debate on this particular item on that note as I understand there's some other pressing business of the House that needs to be conducted, and I'll take my place.

Thank you, sir.

THE DEPUTY SPEAKER: The hon. Member for Medicine Hat.

MR. RENNER: Thank you, Mr. Speaker. I would like to move that we adjourn debate on Bill 16 at this time.

THE DEPUTY SPEAKER: The hon. Member for Medicine Hat has moved that we adjourn debate on Bill 16. All those in support of this motion, please say aye.

HON. MEMBERS: Aye.

THE DEPUTY SPEAKER: Those opposed, please say no. Carried.

head: Committee of Supply

3:30

[Mr. Tannas in the chair]

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

head: Main Estimates 1998-99

Executive Council

THE CHAIRMAN: I'd call on the Premier to begin this afternoon's discussion on the issue.

MR. KLEIN: Thank you, Mr. Chairman. It's an honour once again to appear before you to discuss areas for which I'm responsible within Executive Council. [interjection] Do I have to stand?

MRS. SOETAERT: Yes.

MR. KLEIN: Oh, come on; it's committee. [interjections] I had my workout: three and a half miles.

As you know, Mr. Chairman, Executive Council is ultimately responsible for co-ordinating our government's overall agenda. As I said in my televised address and of course in the Speech from the Throne and in our budget speech earlier this year, our government will keep working with programs and reinvestments targeted to achieve specific results. We will keep working to ensure that Albertans continue to benefit from fiscal responsibility with balanced budgets and diminishing debt, from growth, prosperity, and jobs, from quality, responsive, and affordable public services, and yes, from lower taxes.

Mr. Chairman, at the Alberta Growth Summit Albertans told us to respond to the pressures of growth and to develop the heart of our Alberta advantage – the heart, of course, being our people – while remaining fiscally responsible. Reinvesting in Albertans is a pillar of our Agenda for Opportunity, but we will never return to simply throwing money at problems. We will keep searching for new and better ways to deliver responsive and responsible programs and services. Albertans' priority on developing people reflects an understanding that they are the driving force in our society and our economy and that all Albertans must have the opportunities they need to develop their full potential and to contribute actively to their families, their workplace, and their communities. This understanding will guide Executive Council in its deliberations and actions in the coming year and beyond, but we will also be guided by the ongoing advice of the people we serve.

Effective two-way communications between government and Albertans continues to be a fundamental basis for the way we do business. Government does a lot more than simply give out information. We are involved in consulting with and listening to Albertans as well. In the last year alone our efforts included, one, over 500 public consultations in areas like environmental protection, health, education, national unity, and the economy, which allowed us to talk directly with more than 300,000 Albertans; two, operating the government's E-mail link with Albertans, AltaTalk, which generated 1,700 messages from the public; and three, responding to the thousands of inquiries through the government's toll-free 1-800 talking with Albertans line. All of this is in addition to our ongoing services such as handling more than 4 million calls a year through the RITE telephone system, operating a fax service which broadcasts government news releases to members of the media, and using the Internet to

give Albertans daily updates and government information such as Alberta's participation in the Team Canada trade missions to the Asian Pacific and Latin America in both words and pictures.

Let's not forget the first Alberta Growth Summit, held last fall. An effort widely viewed as one of the most comprehensive public consultations ever undertaken in our province, the process involved literally thousands of Albertans. More than 40 minisummits were held from Peace River in the north to Lethbridge in the south. Hundreds of presentations were made, and more than 1,500 written and oral submissions were received. The summit itself brought together 102 delegates for the two intensive days of sharing ideas, debating solutions, and listening to widely divergent views.

Now I would like to comment briefly on programs within Executive Council which report directly to me: first of all, the office of the Premier and general administration for Executive Council and the Lieutenant Governor's office, the Public Affairs Bureau, and the Northern Alberta Development Council. Executive Council will spend \$12.8 million in 1997-1998 and forecasts to spend \$12.1 million in 1998-99. This forecast also includes an administrative services centre, which is an innovative effort to share resources and services among Executive Council, Intergovernmental and Aboriginal Affairs, northern development, and science and research. The Premier's office and general administration will continue to provide responsive support while maintaining steady and open communication between my office and Albertans, and they will provide administrative services to Executive Council, its members, and its committees with a focus on quality and cost-effective services. As well, this budget provides administrative, secretarial, and clerical services for the Lieutenant Governor.

The Public Affairs Bureau helps our government communicate with the people we serve. It is making the most of new communications technologies to give Albertans the information that they need as quickly and as conveniently as possible. The bureau is a governmentwide, full-service agency. It supplies staff to departments and agencies to help develop and implement communications programs. It provides communications planning and consulting support and specialized writing and editing services to government. It delivers information, including managing our government's use of communications technology and providing technical support for major government news conferences and announcements. It co-ordinates the purchase of advertising, printing, and graphic design services on behalf of government departments. It operates the RITE telephone system, the Queen's Printer bookstores, and the Alberta Communications Network, and it co-ordinates government's communications in public emergencies.

The bureau forecasts \$1.5 million in revenue for both 1997-98 and '98-99 mostly through its Queen's Printer bookstore operation. The bureau will spend \$8.7 million in 1997-98 and expects to spend \$8.1 million in 1998-99. That's 34 percent less than they spent back in 1992.

Finally, let me say a few words about the Northern Alberta Development Council. It's an eight-member council that works to advance the development of the northern economy. The council is chaired by my colleague the MLA for Athabasca-Wabasca, and he will provide more detail on the council after my presentation. Council members come from all walks of life. They represent a cross section of northern Alberta communities and economic sectors, and they are supported by the northern development branch based in Peace River.

The NADC has three goals that guide its work. First, it promotes northern economic opportunities. Second, it works to address impediments to economic development. Finally, it takes action to increase northern skill levels. The council meets these goals by sponsoring and supporting regional initiatives in partnership with the private sector, community-based organizations, and other government departments.

The council's work is primarily project based, but it also sponsors a bursary program. One component of this program is the recently announced northern students' supplement. This government is proud to help enable northern students with high financial need to take full advantage of postsecondary opportunities.

The budget for the council in 1998-1999 will be \$969,000. Funding for bursaries is included in the budget of Alberta Advanced Education and Career Development.

Mr. Chairman, this concludes my initial comments on areas for which I am responsible within Executive Council. I would like now to call on the chairman of NADC for more detailed information about northern development.

Thank you.

THE CHAIRMAN: The hon. Member for Athabasca-Wabasca.

MR. CARDINAL: Thank you very much, Mr. Premier. Mr. Chairman, it is truly my pleasure to make a few comments on the Northern Alberta Development Council. As the Premier mentioned earlier, the role of the council of course is to advance the development of the northern economy in Alberta. Our mission describes how we do this.

[We] advance northern development through regional initiatives in partnership with the private sector and community-based organizations.

Of course, our strategic focus is aligned with the government's commitment to prosperity and people.

3:40

In order to understand the work of the Northern Alberta Development Council, Mr. Chairman, it is important to understand a bit about northern Alberta. So I'll just give a brief description of the northern part of our province. Ten percent of the Alberta population, approximately 250,000 people, live within the northern development area. Half of the aboriginal population, 38,000, live in the northern development area also, and 60 percent of the province's land base, which is over 382,000 square kilometres, is within the area. The area extends from Grande Cache, Whitecourt, Athabasca, St. Paul all the way to the Saskatchewan border along the municipal boundaries. It takes in one city, 25 towns, 12 villages, 8 Métis settlements, 26 Indian bands, and 21 rural municipalities altogether. The economy, of course, is based on energy, forestry, agriculture, and tourism.

I'll briefly now mention some of the strengths of the northern development area. We do have a young, diverse population, Mr. Chairman, and we are very rich in resources in that particular area. In fact, 90 percent of the forestry projects and forestry developments are within the northern development area. I'll just briefly touch on one project in each of those areas maybe just to give you an idea of what impact even one project would have. Out of the overall development of the forests, which are about 90 percent, I'll use the Alberta-Pacific project because that's one that has been mentioned by the opposition here in the last two days during question period as a project that, it seems, they do not support.

In order for the Assembly to understand what impact even one industry like that has on the Alberta economy, I'll try to explain it. The salary, annual payroll, from Alberta-Pacific alone, as one project out of the whole region, is \$75 million. They have purchases of over \$200 million; 78 percent are within Alberta. I'd like the opposition to listen, because a lot of that 78 percent of the \$200 million purchases are in Alberta and a lot are in Edmonton, Edmonton suppliers.

AN HON. MEMBER: Where?

MR. CARDINAL: Over 78 percent in Edmonton and around Edmonton. So I think it's a major project, and it's a good project.

A hundred percent of the oil sands development is within the northern development area. As most of you are aware, I think there are approximately \$20.7 billion, in fact, of oil sands projects projected to develop between 1996 and the year 2007, and they're all within the northern development area.

Of course, with some of the strengths we have some constraints, a number of them in fact: distance and access and isolation and the need for an overall integrated road network in northern Alberta along with water and sewer systems; education levels are lower than the provincial average; the economy is based primarily on resource extraction, energy, and forestry; many small communities do not yet fully participate in the mainstream economic activities; lower than average family incomes; high unemployment and underemployment in some areas; lower than average education levels. So we do have some constraints. Therefore, the continuation of the Northern Alberta Development Council is still critical at this time.

As the Premier mentioned, the Northern Alberta Development Council is made up of eight members from all walks of life in northern Alberta. There is a chair, and that is myself, and there are also seven members: Greg Lindsay from Fort McMurray; Don Erno; Louise Faulkner from McLennan; Doug Sklar from Athabasca; Floyd Thompson, representing the eight Métis settlements; Don Wieben; and Charles Wood, a treaty Indian from Saddle Lake Indian reserve. So as you can see, Mr. Chairman, we do have a cross section of representatives on the council to bring issues from their regions in order for us to further deal with the issues out there.

The Northern Alberta Development Council itself has a small staff component; 12 staff in fact based mostly in Peace River work across northern Alberta.

Of course, our job – and the Premier briefly mentioned this in his opening remarks – is to facilitate development in the region and provide advice to government on northern development matters. What we do specifically is co-ordinate regional initiatives, bringing together governments, community organizations, and industry groups in order to address northern issues and opportunities. We are project based, not program based. Our bursary programs are administered by Students Finance and Advanced Education and Career Development. Our activities are tailored to project needs and may include research, awareness, education campaign, conference, and so on.

Our vision for the north of course is a pretty prosperous north. Northern Alberta has tremendous potential for economic growth, and the growth is based on a strong agriculture sector, driven by energy, forestry, and tourism. Our business is to build on these opportunities to achieve a diversified economy in Alberta that emphasizes the local processing of commodities. By training

northerners for these opportunities, we can capture benefits from industrial growth out of communities and contribute to the long-term strength of the overall provincial economy.

NADC has three goals to help us achieve this vision. The first, of course, is to promote emerging development opportunities in northern Alberta. Our priority at this time is value-added agriculture, tourism, and business spin-offs from resource development. Our second goal is to address impediments to economic growth in northern Alberta, and in that particular area our priority is rail transportation and access to telecommunications. Again, an integrated road network in northern Alberta is critical to allow the movement of resources and other developments both north and south and east and west.

One of the projects that we are also working on that is on a smaller scale, of course, is the commercial fishing industry. The other one is our involvement in the western Premiers' economic action plan. The western Premiers, as you are aware, met I believe last May in Campbell River. One representative from each jurisdiction was to assist in the development of an overall northwestern Canadian economic action plan, and the Premier appointed me to this committee to represent Alberta. We had our first meeting in November of last year. At the time, we brought forward some thoughts of designing an integrated road network in Alberta that would tie in with northern B.C., northern Saskatchewan, Manitoba, and also Yukon and Northwest Territories. At that conference the ministries from those other jurisdictions asked Alberta in fact to take the leading role in the development of a northwestern Canadian economic action plan. Of course, we are now working with our ministry of transportation along with ministries from other jurisdictions in order to achieve this objective. What it would do is look at a long-range plan of how the road network may look in northwestern Canada. Along with that, of course, is that other jurisdictions will be looking at the overall economy, other jurisdictions leading the way in skills development, and other jurisdictions leading the way in environmental management and environmental protection. So with that work, we'll be submitting our report to the Premiers in June sometime for their next meeting.

3:50

Our third goal, which is very critical – and the Premier mentioned that in the opening address – is to increase northern skills development in order for the northerners that are underemployed and unemployed to take full advantage of the economic opportunities projected in the next number of years. The priorities in that particular area – we all know that student debt load is a concern, and therefore we are providing a number of bursaries through the Northern Alberta Development Council, of course tied in with the Students Finance Board and tied in also with Advanced Ed and Career Development.

The other one we're promoting is programming to encourage staying in school, which encourages young adults to continue school, complete grade 12 possibly, and go on to postsecondary education or apprenticeship programs or other types of training.

The third one we are working on is matching northern training programs to employment needs, not only on a short-term basis but on a long-term projected basis, in order for us to maximize our northerners taking advantage of jobs that are coming open.

I'll just touch briefly on the bursary programs themselves. The Northern Alberta Development Council bursary is one that's been around for a number of years now. To date we've provided 125 return service bursaries, and I believe it's about \$3,000 per bursary. What this does is provide that bursary in the final years

of postsecondary education. The agreement is for the student then to return and work in northern Alberta. It covers areas such as social work, education, health care work, municipal administration: the high-needs areas in northern Alberta. That program is working very well.

The second one we have is a bursary partnership program with private industry. Again, this program is designed to raise money through private industry and match that money by providing dollars from the province. I believe that bursary is running \$3,000 apiece. The selection of the individuals to receive that bursary is done by private industry jointly with two other departments.

The third one we have, the \$30 million bursary announced recently by Advanced Education and Career Development, is one that's called the northern student supplement. Because of the lower levels of education in northern Alberta at this time and lower income levels and generally a lower standard of living on the average, we felt there was an additional need to move a lot more of our young people from underemployment and unemployment to either further training or direct placement into jobs. That is why this northern student supplement was implemented this year and announced to take effect September of '98. In addition to the student loan and the opportunity fund, this fund will supplement northern students with from \$500 to \$1,500 per year towards the first and second years of their postsecondary education, including two-year programs in colleges such as Grant MacEwan, Lac La Biche, Slave Lake, and other colleges.

In our organization, of course, we do have performance measures. The Northern Alberta Development Council does satisfaction surveys on customers in the case of bursary programs and other supports and research we provide to individuals and communities and companies. At this time the average satisfaction support on that is about 82 percent. Our target, of course, is to achieve 100 percent.

We've had, of course, our budget, and the Premier briefly mentioned that the overall budget for northern development has decreased from \$1,399,000 in 1997-98 to \$969,000 in 1998-99. This is basically due to the completion of the northern Alberta agreement. The agreement is in the final evaluation stage, and all related expenditures from '97-98 will be in there. The total difference is \$430,000. So if you see a reduction in the federal transfer or it shows as income, that is what it is. One program is completed, and therefore no more dollars are required to be transferred from the federal government. For the council itself the budget has increased by \$10,000, and basically this \$10,000 is to assist with the restoration of salary rollbacks to employees.

In addition to that, I'd like to again touch on briefly and provide more information and maybe be a little more clear as to what we specifically do. Basically, we have three main goals. I'd like to just touch on the objectives and the strategy as to how we arrive at some of the solutions. One goal is "to promote emerging development opportunities in northern Alberta," and the first objective of that is to "identify emerging economic development issues and opportunities." For how we do this, the strategies we use are:

- Consult with key northern economic leaders, government departments and the Alberta Economic Development Authority.
- Research opportunities in key economic sectors.
- Compile and disseminate northern economic information and opportunity reports

to individuals and industries that are interested in moving and developing economies in the north.

The second objective is to "encourage expansion of value-added agriculture" in northern Alberta. This is a very, very important issue not only for the Peace region but also for northeastern Alberta. We "work with Alberta Agriculture and the industry to develop and implement strategies to promote value-added agriculture in the north," and this is something that's been needed for a long, long time. We "encourage the development of a regional processing facility in northeastern Alberta." We also "increase awareness of and promote northern value-added agriculture and food processing opportunities."

Thank you, Mr. Chairman. I assume my time is up.

THE CHAIRMAN: We'll call on the hon. Member for Edmonton-Glenora, followed by Edmonton-Highlands, followed by Peace River.

4:00

MR. SAPERS: Thank you, Mr. Chairman. I just have a few questions for the Premier as we discuss the estimates of Executive Council. I'd like to first ask a little bit about the office of the Premier directly. I notice that there is an increase in the estimates in program 1, going from \$2.8 million to \$2.9 million. I'm just wondering if the Premier could give us a little bit more detail about why the extra money is needed. What exactly is it going to be spent on? Will there be salary increases, for example, in terms of the Premier's staff? I'm particularly interested in the communication staff. There's been some high-profile turnover out of the Premier's office, and I'd be interested to know.

I also recall that it was the Premier's initiative, I believe, a couple of years ago to see to it that the salaries of senior officials, the presidents of universities, the CEOs of health boards, et cetera, were published and made known. I'm wondering if we're going to see the same thing for the staff in the Premier's office.

The Public Affairs Bureau. I think the Premier mentioned that it was the Public Affairs Bureau that was responsible for the production of the Premier's television address or that it was money that came out of Public Affairs' budget for the television address. I am assuming that means that that's projected to come out of next year's budget as well in the same regard. I take it that the Premier is making plans to do another televised address. I would like to go on record officially requesting that the Premier use public broadcasting and save the taxpayers whatever the dollar cost is. Also, by using public broadcasting, if the Premier's television address was presented on CBC television, of course that means that the Official Opposition would be given equal time. I think in all fairness the Premier recognizes the sense, the logic behind that, and I think the people of Alberta would appreciate having an opportunity to view both the Premier's vision for the province as well as the vision of the democratically elected Official Opposition. It seems to me that that's at no cost to the taxpayers and of tremendous benefit and would certainly demonstrate that the Premier meant it when he said that he wants to be open and transparent and he wants to be accountable. It's a terrific way of demonstrating that, Mr. Premier.

A couple of questions that I have about the Northern Alberta Development Council. What I'd like to do, as is our practice, Mr. Chairman, is refer to the business plan as well as the budget document itself. I notice in the business plan that there are a number of performance measures. The performance measures I'm referring to are on page 243 of the business plan, if you wanted to reference them. I'm looking at the return service rate of NADC bursary recipients. The performance measure starts with the actual return rate as of '95-96, and in case you don't have

your notes handy, Mr. Premier, that figure is 72 percent. It stays at 72 percent for '96-97. The target for '97-98 is for it to grow by 2 percent to 74 percent. Then as we tease out the three-year business plans, it grows to 75 percent. That's about a three-point difference between '95 and 2001.

I'm wondering why this isn't higher. If we're losing between 25 and 30 percent, I'm wondering what efforts you've made or you've asked the member who serves as the chair of the council to make to look at the return service rate and to determine why we're losing 25 percent. It seems to me that's a pretty achievable target that you've built in, if you're only going from an actual of 72 percent to a target this year of 74 percent and then for the next three years you expect that to be static. Are you saying that that's acceptable, that's the way it should be? Or is there something else that's wrong with the program? Because it seems to me that three-quarters is maybe a C plus if we were in school, so 75 percent I'm not sure is anything more than just a barely passing grade. I'm concerned that that is the peak of your performance measure.

Likewise when I look at the leveraged funding for bursary programs. The good news is that the actual of \$93,000 is projected to grow to a targeted amount of \$160,000 by the year 2000-2001. But even at \$160,000 let's keep in mind that the actual was already \$134,000 for the last fiscal cycle. The target for '97-98 is actually less than what was achieved in '96-97. This is a pretty modest performance measure, Mr. Premier, and I'm wondering why. The bursary partnership program is a successful program. It's doing an important job. I'm not being critical at all of the partners to government in that program, but especially after hearing the member responsible for the council speaking, I guess I just would have expected a much more ambitious target. There's that saying that a person's reach should exceed his grasp, and I'm just wondering why you've made this, as I say, such a modest measure.

Mr. Premier, when I look at the performance measures for the Public Affairs Bureau, I have another couple of questions as well. Now I am referring to the business plan on page 246. One of the key performance indicators for Public Affairs is public satisfaction with government information. This measure reflects the satisfaction of Albertans with the information they receive from government. This would seem to me to be very critical to you and a very, very strategic part of your plan: communicating the government's vision and strategy. It seems that it also reflects on the way the Premier, the Premier's party, and the Premier's government were presented during the last election, and that is being open and accountable, honest, forthright, transparent. Now, I have a series of questions about this particular performance indicator.

Firstly, we see that the 1994 actual demonstrates that only 65 percent of Albertans were satisfied with the information they received from the government. Now, I don't know whether that was a single poll. I don't know whether that is from focus groups. I don't know whether that's a satisfaction survey that's based on self-reporting. I don't know anything about the science behind that measure, but I'm assuming that the government is somewhat comfortable and confident in the accuracy of that performance indicator. So the floor measurement becomes 65 percent. This tells us that not quite two-thirds of Albertans were satisfied with the government information. Another way of interpreting that might be that two-thirds believed the message; at least only two-thirds of Albertans accepted it with any degree of satisfaction.

We see that the actual has grown by leaps and bounds, from 65 percent in '94-95 to fully 66 percent of Albertans accepting the message with some satisfaction. So we've got a whole 1 percent growth. Again, without knowing the science, I'm going to make a prediction that that 1 percent growth is perhaps not statistically significant. What may be more significant is that in the intervening year it went up three points, but it's fallen off again. Now, if I were managing Public Affairs for this province, Mr. Premier, I guess I'd be concerned about both of those facts. One, that it's so low to begin with, and two, when there are some gains, as there were in '95-96, we immediately turn around and see some losses. So what is it exactly – because I'm sure you must have probed this – that Albertans are identifying that they don't like about how the government is communicating? Is it a lack of confidence in government conducting itself by summits? Is it a lack of confidence in the government using infomercials? Or is it a reflection, perhaps, of people just not believing the messages when their own reality in the health care system or the education system doesn't reflect some of the government claims? As I say, I'm certain that this has been probed, and I would like to know what the results of that probing have been.

I'd also like to know what the government is planning on doing about this lack of confidence that Albertans have in the government's information. The target for '97-98 is pretty ambitious, I suppose, in comparison to what's been realized, and that's that only three-quarters of Albertans will accept at face value the information provided by the government. I notice that the target is projected to stay constant in '98-99. So we'll go from two-thirds of Albertans being satisfied with the information they receive to three-quarters of Albertans, and as I mentioned earlier, that three-quarters is still barely a passing grade.

4:10

While I'm looking at the business plans and asking you to reflect on them, I would like to also ask, Mr. Premier, why the business plans for different units in Executive Council aren't using the same kind of business plan format. If you go back to NADC, you'll see that the performance measures are extrapolated out right to the year 2001. We get a really good look. We see the couple of years previous, we see the current year target, and then we see the thinking that has gone into the three-year rolling business plan. I like that. I think that's good. I think the Northern Alberta Development Council should be commended for giving us that kind of a projection into the future.

But when I look at the Public Affairs Bureau – and of course these are the people that are supposed to be the specialists in communicating. These are the people that are supposed to be really the engine that drives the government's communication train. I look at their business plan and I see that it's truncated. It stops with '98-99. What happened to '99, 2000, and 2001? Why can't we see the same both historic but also future plans in Public Affairs? We in the Official Opposition have raised this concern before. While we are fans and have gone on record saying we are fans of the government's ability to present business plans and we like the notion of these business plans being multiyear, we are very concerned with and are not fans of the inconsistency from department to department, particularly when we see that even within one set of business plans there isn't a consistent presentation. It would certainly help the government demonstrate to Albertans that it was indeed on track if there was a consistency in the presentation of these business plans and performance measures.

Mr. Premier, the Northern Alberta Development Council, if I

can go back to that for a minute. Line item 2.0.1 in program 2 of Executive Council indicates that there will be the most modest of increases in terms of 1998-99 over '97-98. I guess I'm a little concerned that the amount budgeted is going to fall short of the plans articulated by the member responsible for the council. I'm particularly concerned about the opportunity for people in northern Alberta to benefit from postsecondary education opportunities. I would like to know exactly how much money is going towards access for postsecondary students, which particular colleges and which particular programs are being the beneficiaries of NADC funding, how many students have graduated as a result of NADC support, and how many specifically by program are projected to be able to add to their education as a result of the Northern Alberta Development Council.

I do note that on February 17 there was a news release about the northern students' supplement. That press release talked about an increase in the amount made available through the Alberta opportunities bursary, and it talked about both components, the student funding and support services. That press release talks about 1 and a half million dollars to be distributed to about 1,400 students. It doesn't, however, say whether they will be eligible more than once and whether or not that support will carry them through their education.

The program as it's designed is for first- and second-year students. For first- and second-year students that's very helpful. For example, that might get a student from one of the more rural parts of northern Alberta to, let's say, the Grande Prairie Regional College so they can do the first two years of what potentially could be a degree. That's great. But what is available to ensure that those students can then make the transition from northern Alberta, from the Grande Prairie Regional College in this example to the University of Alberta, the University of Lethbridge, or the University of Calgary? What's there for the third and the fourth years? And why is the Northern Alberta Development Council bursary program, the Alberta opportunities bursary limited to only the first and second years? It seems that we could design a second program for those students who would like to carry on.

I would even go a step further, Mr. Premier, and say that with a little bit of imagination you could probably leverage some more federal money out of the forthcoming millennium fund, which the Prime Minister is discussing, to make sure that Alberta students could carry on past not just technical training or diploma level education at a college but also into undergraduate and perhaps even graduate and postgraduate education in some of Alberta's fine postsecondary institutions. I would hate to think it's an expectation of this government that students from northern Alberta who would be eligible for benefit under this bursary program are really only limited to or really only good for a couple of years of education and that after that they should go back home. I would hate to think that's the message that this government is sending.

I hope, Mr. Premier, that the questions have been clear enough that you'll be able to shed some light. I would like to have some answers before we're asked to vote, and I am particularly concerned about the Northern Alberta Development Council bursary program. I don't know whether it's yourself or the other hon. member who'll be responding to those questions.

Thank you.

THE CHAIRMAN: The hon. Premier.

MR. KLEIN: Thank you very much, Mr. Chairman. The first question. The hon. member is absolutely right. The \$117,000

additional in budget 1998-1999 is for salary increases or anticipated salary increases. Mr. Chairman, I think you will find as we go through all of the estimates that in every department there will be additional amounts allocated for salary increases. We have seen increases negotiated through the collective bargaining process for nurses, for various school districts. Of course we're going through the process now with our own public service. Having their salaries rolled back or voluntarily taking a rollback in salaries and basically having no raises and the rollback now for the last four or five years, it stands to reason that there are going to be some increases. I think that the Liberal opposition can agree with that. So, yes, the additional \$117,000 that has been budgeted is for salaries, and that will accommodate the restoration of the pay cut and virtually no raise now for the last four years. I think we have to anticipate that there have to be throughout the public service some salary adjustments this year.

Mr. Chairman, I'm going to have the hon. Member for Athabasca-Wabasca reply to the two questions relating to the Northern Alberta Development Council. I don't know how to handle this because there's another ministry involved, especially as it relates to the bursary program, and that's the Department of Advanced Education and Career Development. This program as it relates . . . Pardon me?

MR. MITCHELL: Go with Mike. Clint will just contradict you.

4:20

MR. KLEIN: No, I don't think so. No, I think there are some good things happening. Certainly there is a special part of the program that relates to northern Alberta, but the program generally is much broader than that and indeed applies throughout the province. I'll have the hon. Member for Athabasca-Wabasca respond in more detail.

The other question that was posed relates to the Public Affairs Bureau and the rate of satisfaction amongst Albertans. The hon. member referred to one line, public satisfaction with government information, going from 65 percent to 69 percent to 66 percent and it's anticipated that we'll achieve something like 75 percent this year. I would like to refer to some other lines relative to customer satisfaction. For instance, the question was asked relative to customer satisfaction as it relates to the Queen's Printer and the information that comes out of that operation. We see a 95 percent satisfaction rate in '94-95 and 97 percent in '95-96 and 96 percent in '96-97, and we have targeted 98 percent for '98-99. We look at government client satisfaction with all the departments of government that are served by the Public Affairs Bureau. We see an average of - well, we'll just roughly average it out at about 87 percent client satisfaction. We see private-sector supplier satisfaction, and we look at 88 percent in '94-95, at 91 percent in '95-96, at 95 percent in '96-97, at 95 percent in '97-98, at 95 percent in '98-99. So those are very high levels.

When you get to the issue of public satisfaction with government information, I think there is a direct relationship to the support this government received during the last election and the satisfaction of the people. You know, when you're going into an election and you have generally a 65 percent average approval rate, that is not bad. Political parties throughout the world would have thought they'd died and gone to heaven with that kind of satisfaction rating.

Mr. Chairman, there is a simple fact about politics, and we all know it. That is that you cannot please all the people all the time. It's not a matter of people being dissatisfied with the information, because we try to get as much information out as we possibly can.

It's a matter of the people not being satisfied with the type of information they're getting. Certainly during our days of deficit elimination and government reorganization and budget reductions and downsizing there were a lot of unhappy people, yes. I would say about 34 percent of the population were unhappy. The majority of the people said: "Yes, you have to get your finances under control. You can't continue to run deficits. You've got to rightsize government. There was too much government."

But when you get into it, Mr. Chairman, there was a simple fact of life, and we communicated it honestly and fairly to Albertans. We communicated that this was going to happen and, folks, it was going to be rough. Once we got into it, there were a lot of groups out there, a lot of groups – and a lot of those groups went to the Liberals and complained to the Liberals. Those were the groups who were saying: "Oh, my gosh. We thought you were going to do it, but surely you didn't mean me. You weren't going to affect me. Not my department or not my services." Well, every area of government expenditure was touched, so I don't find it surprising at all that some Albertans didn't like the message. It wasn't the fact that we weren't getting the message out; they just didn't like what they heard. Right? That is a simple fact of political life.

Now, with respect to the NADC programs, I'll have the hon. Member for Athabasca-Wabasca reply.

MR. CARDINAL: Thank you very much, Mr. Premier. Mr. Chairman, the Member for Edmonton-Glenora brought up some good points. Because some of the bursary programs overlap into student finance and Advanced Ed and Career Development, I will ask the staff both from Advanced Ed and Career Development and the Northern Development Council to go through *Hansard* and provide whatever information that we may not be able to provide today because of some joint programming. We will promise you that you will get whatever we don't provide here today in relation to that particular issue in writing in the very near future.

The member mentioned also the return commitment: why in '96-97 the return commitment was 72 percent and we are only targeting 75 percent return commitment to individuals receiving bursaries. There are a number of reasons for that. Sometimes when we involve private industry in raising dollars for some of the bursary programs, private industry would rather provide the dollars without strings attached. In order for us to continue having that opportunity to access private-industry dollars, then it is important that we have some flexibility in administering and designing our programs.

The issue of bursaries and student finance is a very complicated issue, because there are a lot of different organizations, agencies, and governments that provide funding either through bursaries or loans or grants to individuals. For an example, I mentioned that the aboriginal population is about 38,000 in the northern development area. It may be that half of those are treaty Indian people, and of course the registered treaty Indians are eligible for financing. One hundred percent of the costs of their postsecondary education, tuition and ongoing expenses, are covered by the federal government. Therefore, a lot of our northern residents are already financed very well through the federal system.

On the provincial side again, of course a number of programs I mentioned. We are not asking all of our students, because we feel that the amount of young people that are moving forward to take advantage of postsecondary education – it seems like there won't be enough jobs for all those individuals in northern Alberta. Therefore, we have to provide that opportunity and some flexibil-

ity to make sure that if an individual is looking at taking education, for an example, and we know that there are no jobs open in the area of education, then we want to make sure that when that person goes and gets their degree in education, they have the opportunity to move on to other parts of Alberta or other parts of Canada to take advantage of job opportunities. We know that as long as there are jobs up north, people will return, but we know that in specific fields there will not be enough jobs for the people that are taking the training programs.

4:30

The northern development supplement will provide funding for 1,400 students, and that provides funding for 1,400 annually. That provides funding, again, for the first and second years in a four-year program and two years in a two-year program. Of course, if they want to continue to the third and fourth years in a four-year program, then they have to look at student finance. Again, there are remission programs available under that that are quite complicated – but they do work – which will limit the student debt load when the student completes their course.

The Alberta opportunity fund is over \$30 million, and that is definitely a step in the right direction in developing our young Albertans to take advantage of the economic initiatives that are coming forward in the next 10 years or so in Alberta. It's not a complete answer we know. We are, I believe, monitoring very closely the federal programs that are being discussed at this time. I don't think anyone has any details as to what that program may look like, but I am sure the people in charge will co-ordinate the federal initiatives along with what we have developed in Alberta.

We have to realize there are also many, many other bursaries out there that we haven't even talked about here because they're outside of our jurisdiction. Those bursaries are from companies like Nova, Alberta-Pacific. You know, our students in northern Alberta are still eligible for Rutherford scholarship awards and many awards under that program. There are certain departments that provide bursaries. For an example, Family and Social Services I believe still has about 38 bursaries annually that they provide for individuals looking at social work. I understand those are potentially four years, but I could be corrected on that. It may be two years. The other one: Health has, I believe, 20 bursaries for aboriginal health care workers, because we feel that's a very high-needs area. Those again are available to northerners. There are many other private-industry bursaries out there.

It is a very complicated issue. Again, I say it is a step in the right direction. Northern Albertans that are residing in the northern development area are definitely ready to take the step for further education, and I think we're doing our best to provide the best opportunities we can provide at this time. But we have to keep monitoring that very closely as the requirements of our northerners change as we move forward.

The Member for Edmonton-Glenora also asked as to the types of bursaries that were provided. There were over 900 bursaries provided from 1990 to 1996. I don't know if I should mention all the areas we provided bursaries in, but education is a good example. We provided over 200 bursaries in education alone; the medical profession, 73; health care/nursing field, 195; social services, 168; business administration, 83; engineering/technical, 92; natural sciences and the environment, 114; and there's a number of other smaller ones. Again, you know, we keep monitoring that very closely to ensure that every opportunity is given for our people to return and work in the north. Again, we have to use some common sense and some flexibility so that we

allow northerners also to move to other jurisdictions.

The Member for Edmonton-Glenora wanted to know in detail – you asked the question – as to what institutions took advantage of and provided training for these students. Over 900 positions were provided. Athabasca University provided some. AVC Lac La Biche; AVC Slave Lake; Blue Quills; Fairview College; Grande Prairie Regional College; Keyano College; Lakeland College; Grant MacEwan in Edmonton here; NAIT, 77; University of Alberta, 280; I just want to mention those.

AN HON. MEMBER: How many?

MR. CARDINAL: Two hundred and eighty, for a total of over 900. I could go on. There are a number of other universities. [interjections] The University of Calgary; imagine.

THE CHAIRMAN: Order. Hon. Member for Athabasca-Wabasca, you're speaking, theoretically, to the chair and not to individual members.

MR. CARDINAL: Okay. Very good. Even the University of Lethbridge – 24 northern students attend the University of Lethbridge, and that's a long ways.

DR. TAYLOR: How many in Medicine Hat College?

MR. CARDINAL: Medicine Hat College. It's here. It's here somewhere.

MR. SAPERS: Mike, table it.

MR. CARDINAL: I can table that for the individual.

The other question the member asked I believe is in relation to our budget, and I thank you for that. You're recommending that we should be maybe having a larger budget. I thank you for your recommendation to try and increase our activities and spend more money, but we're doing very well within our budget. In fact, because the northern development agreement expires in 1998-99, we reduced our requirements for dollars from the federal government by \$430,000. In addition to that, of course, we've reduced one full-time position because we don't need the administration any longer to do that part. In addition to that, we had some changes in staff, and that left some dollars for us to be able to use in other areas. We had a number of vacancies for a short period of time. But we are doing very well within our budget and hopefully will continue to provide a high quality of service to our residents of the northern development area.

Again, I appreciate the questions and concerns you have on postsecondary education. We do also have concerns on that. We need to be very innovative. We'll probably need your support and we need federal support to make sure that as we move forward, we allow people to take advantage of the jobs that are coming to Alberta.

THE CHAIRMAN: The hon. member for . . .

The hon. Premier.

MR. KLEIN: I'm sorry. There was one question asked, and I didn't answer it. It would be a very short answer. [interjection] No. It'll be a very short answer. [interjections] I'm sorry. It'll take me 30 seconds to answer the question.

The question that was asked was: is there an amount budgeted

in the Public Affairs Bureau for the television address? I would assume that there is. I don't have the breakdown right here, but I would assume that there is. I know that the hon. member suggested that we use the CBC. Well, first of all, Mr. Chairman, it's a matter of reach, but make no mistake about it; this is not free. Right? It's a cost to the taxpayer because if they relinquish that commercial time, the taxpayers of Canada, who fund the CBC, would have to pay for it. So, you know, as old John Kushner, the late departed, used to say: there's only one taxpayer, you and me.

4:40

MS BARRETT: Mr. Chairman, I will limit my comments just to two areas. One would be the Auditor General's report of last year on the Executive Council, and the other would be on the Public Affairs Bureau segment of these estimates. I wonder if the Premier is prepared to update us on a number of recommendations from the recent Auditor General's report. I'll start with – and this is under the section called Executive Council. Recommendation 3, page 26, says:

It is recommended that ministries ensure that their contract negotiation and management practices result in cost-effective public services. It is also recommended that responsibility be assigned for the establishment of a process to determine and implement best practices in contracting.

The Auditor General is quite critical of a number of contracted-out services, processes, and outcomes. On page 27 he says:

Costs should be defined as one-time or recurring, and appropriately discounted to reflect net present value. For example, the difficulties encountered by the Michener Centre in contracting for laundry services, described in the Family and Social Services section of this annual report, arose largely from errors in costing on-site versus off-site services.

Now, later in his own report, in the report to which the Auditor General refers, you'll see that the government is said to have inflated the cost of doing work at the Michener Centre by a factor of somewhere between four and eight just to justify the contracting out of the services. He points out on page 29 that "the contracting process should be free from bias." He goes on to say:

The contract must adequately protect the interests of the government. There is a risk that public assets may be jeopardized and/or the government may be exposed to liability if the contractor fails to perform . . . Comprehensive assessment of potential liabilities is required to ensure these risks are adequately covered through bonding, insurance, and indemnification provisions in the contract.

On the subject of CKUA, again a decision by Executive Council, on page 34 of his report it says:

It is recommended that when grant funds and/or assets are provided to an organization or individual in return for an expected level of performance, an appropriate accountability framework be established to enable the recipient's performance to be measured and evaluated.

At the end of the day on this one he says:

The failure of the Foundation to plan properly and to provide evidence of results had implications for ACCESS, which provided \$4.725 million in cash and \$1.125 million in capital assets to the Foundation. In such circumstances, even though the Sale Agreement was virtually silent on the need to provide accountability information, ACCESS (and later the Department) should have required the Foundation to provide frequent accountability reports.

Now, I don't know if the Executive Council is planning to continue to privatize everything that isn't nailed down, but if they are, I would certainly like to hear if the Executive Council is

prepared to respond in a positive fashion to those recommendations, particularly in light of the fact that we had one minister going to Toronto to brag about having lost more than \$2 billion in his haste to sell public assets. That's a lot of money, Mr. Chairman, \$2 billion.

On the subject of Public Affairs, I'd first like to point out a couple of things. After I left this Legislature in 1993, it was the Premier's office that consolidated Public Affairs under Executive Council; in other words, under the direct control of the Premier. I can report that since then I, we, and members of the public have found it difficult to get basic factual information from certain departments. What we are told when we call up in search of information is that we must talk to the Public Affairs officer, who seems to have a political intent to either prevent information getting to me, my researchers, or members of the public or at least to delay the information. It used to be in the good old days, prior to these personnel barriers, that one could talk directly to government employees who, for example, know the policy inside out, who don't have to go to a PR person to get that information, just talk. I mean, we're only searching for facts.

I also wonder – I have not been able to track this down, again for a similar reason – does the Public Affairs person from each department have any direct role or obligatory role in freedom of information requests to the departments? Is it hands-on first to that person before it goes to anybody else? I suspect it is.

I do hope that in Public Affairs one could achieve some accountability, even when it comes to spin-doctored news releases that take facts and twist them with political language so that the public, whether they're receiving a news release or a bulletin or whatever, actually believes that the fancy language is a legitimate substitute for factual content.

In conclusion, Kevin Taft spent a fair amount of his book *Shredding the Public Interest*, in section 10, on what he calls the spin doctors. A couple of quotes from there that I think would be interesting, one from page 76. He's talking about the ability of the office of the Premier to control the government and influence the media by use of the Public Affairs Bureau, which is now consolidated into the Premier's office. He says:

This provides the Premier's Office with a direct and widespread means of surveillance throughout the bureaucracy, a kind of Big Brother presence.

Another quote:

This reduces the impartiality of the civil service and makes it more politically partisan, for everyone with whom Public Affairs staff work knows the special place they occupy.

To carry on:

This influence is made more intense, as one insider told me, because of pressure on staff of the Public Affairs Bureau to join the Progressive Conservative Party.

He goes on to say:

These same officers are the primary spokespersons for each department to the media and the public.

The last quote from Kevin Taft on this. This is now from page 77.

This approach elevates image over substance, because the spokespersons are specialists in public relations, not in the policies and programs of the department to which they are assigned.

Therefore, I would suggest that the Public Affairs Bureau has become much more politicized since I worked here both as a researcher and as an MLA. Executive Council may want to give some thought to removing that and putting it at arm's length from the Premier's office and from Executive Council so that we can have, number one, greater accountability and, number two, less

political influence on those persons who are supposed to be serving the public interest.

Thank you.

MR. KLEIN: Just very briefly, Mr. Chairman, and I'll only be 30 seconds or so, honestly. All of the issues, as it pertains to the Auditor General's report, are matters for Public Accounts, not here. Anyway, they're not in my estimates. We're here to talk about Executive Council estimates. Certainly those questions, the whole issue of contracting out, will be addressed at the appropriate time.

Relative to the Public Affairs Bureau and being referred to as spin doctors, I think that's entirely unfair, Mr. Chairman. These people are charged with the responsibility of producing good, honest, straightforward information, and Kevin Taft has been known and is known to have his opinions. I just don't share his opinions. She can quote all she wants from Kevin Taft's book.

MR. MITCHELL: But is he a communist, Ralph?

MR. KLEIN: I don't know. Is he?

MR. MITCHELL: You said he was.

MR. KLEIN: No, I didn't. I never directly called him a communist. I just said that perhaps some of his leanings are a little left. Right? Obviously, the person over there, the leader of the ND Party, has some left leanings herself and thinks a lot of Kevin Taft. I differ with his opinion.

THE CHAIRMAN: The hon. Leader of the Official Opposition.

MR. MITCHELL: Thank you. Mr. Chairman, I have a number of questions I'd like to ask of the Premier about his estimates. I would draw his attention to page 195 of the Government and Lottery Fund Estimates. A number of my questions stem from that. I note that a goal of the Public Affairs Bureau is to "make government information more accessible to Albertans." That raises the question of polling information. The Premier has been on the record as saying: yes, any poll that is paid for by public money will be released. He has been contradicted by the Treasurer, who is reluctant to release polling data. The upshot is that there are many polls which simply have not been released, yet they had been paid for by public money. We would like to see those polls released, and I might ask as an aside whether the Premier really thinks that the Treasurer releasing a poll to the Treasury library, which is relatively obscure and probably quite difficult for most Albertans to find, rather than tabling it in the House is consistent with the Public Affairs Bureau's goal "to make government information more accessible to Albertans." I think it would be more accessible if, when the Treasurer does determine to release a poll, he actually releases it in the House.

4:50

I would ask a specific question of the Premier in this regard. How much of the communications services budget in 1998-99 is allocated to subscriptions and/or polling contracts to Angus Reid, Environics, and other polling and market research companies? Can the Premier please provide us with a breakdown of the 1998-99 budget allocated to poll subscriptions and specific polling contracts by the firms with whom they do this kind of business?

A second question under the Public Affairs Bureau budget and the Premier's office would be the salary that is received now by

Jim Dau, one of the seniormost communications persons in the Premier's office, and whether or not he will be receiving a raise this year. We would just like to settle that for Jim one way or another. [interjection] They won't be.

Next, one of the goals of the Public Affairs Bureau is to "sustain revenue by developing new products and services." I'd like to know what new products are being created and what charges are being charged for that. Most notably, it says on page 196 that the Public Affairs Bureau will "produce, market and distribute printed and electronic versions of the Alberta Rules of Court." I wonder whether the Premier could tell us at what stage the electronic versions are, which is a great idea, and what charge will be levied for people accessing those reports on, I'm assuming, the Internet or some kind of a computer network system.

I move to major strategies. This is a revealing and interesting statement, Mr. Chairman. The first strategy:

- broadening our focus of communicating the government's fiscal agenda to raising awareness of government programs and services, and of opportunities created by Alberta's thriving economy.

I wonder whether the Treasurer could say why they are emphasizing "fiscal agenda." They say "broadening," but they don't talk about the human agenda, they don't talk about the people agenda, and they don't talk about communicating more about health care and education. I'd like to see, if that is the case, that we raise awareness about just how thin the commitment of the government is to those particular priorities and communicating them properly.

The Premier addressed the issue of not using CBC for his infomercial. He made the point that it's still costing the taxpayers money. I would like to make the point and have him consider this point that whether or not the Premier is on for that half hour, the CBC is paying the money to produce that half hour. If the Premier is concerned about not raising commercial revenues, the CBC will raise plenty of revenues by running ads before and after that period of time, which would, in fact, not only reduce the amount of taxpayers' money that goes into that particular infomercial but actually allow the taxpayer through CBC to raise some extra money. So I don't buy that.

MRS. O'NEILL: But you're just using circuitous reasoning.

MR. MITCHELL: Let's talk about spurious reasoning, St. Albert.

MRS. O'NEILL: I didn't say "spurious."

MR. MITCHELL: Oh, didn't you? What did you say?

MRS. O'NEILL: Circuitous.

MR. MITCHELL: Oh, circuitous. Well, let's talk about the circuitous reasoning that gets us from . . .

THE CHAIRMAN: Hon. leader, you're through the chair and the questions are to the hon. Premier.

MR. KLEIN: Do you want to ban bingos too?

MR. MITCHELL: What's that?

MR. KLEIN: Do you want to can bingos too?

MR. MITCHELL: Bingos are quite different. Oh, let's get into the VLTs. Thank you for raising it.

THE CHAIRMAN: Hon. leader, we're on the estimates of the Executive Council. I wonder if we could both go to that.

MR. MITCHELL: Mr. Chairman, I'd like the Premier to comment on this after I'm finished. There's a Dr. Hunter speaking at the Timms centre this very moment, probably, on gambling, who makes the point that other forms of gambling, like bingo, take 22 years on average before somebody hits rock bottom if they are inclined to be addicted. Video slot machines take two years, and in fact slot machines at the casinos . . .

THE CHAIRMAN: Hon. leader, I wonder if we could stick to the estimates of the Executive Council.

MR. MITCHELL: I will say, Mr. Chairman, how much money is the Public Affairs Bureau spending to try and spin, communicate this idea that video slot machines are not more addictive than bingo? And if we want to talk about circuitous logic – and I'd love to get into that. One day we'll have a little debate in here, St. Albert, and we'll talk about circuitous logic and where you come from and where you're going.

MR. KLEIN: You made the same hype during the election. Where did it get you?

MR. MITCHELL: You know where it got us? [interjections]

THE CHAIRMAN: Order. Hon. leader, would you sit down, please. [interjection] Hon. Premier. I wonder if we could all cool it for a moment.

The chair would also remind hon. members that the Assembly awaits the committee's report. We do have a deadline here in a moment.

Hon. Leader of the Opposition, if you could conclude your remaining questions as expeditiously as possible.

MR. MITCHELL: They're provoking me, Mr. Chairman, and I didn't want to waste any time by rising on a point of order because I appreciate where you're going.

Mr. Chairman, I'd like to know, given this communication strategy and this polling budget, what the Premier based his decision upon to reduce personal income taxes by 22 cents a day for the average taxpayer. What input did he have? It wasn't the Growth Summit, and it certainly wasn't the polls that we've seen.

Could the Premier tell us whether his travel expenses are subsidized out of the Public Affairs Bureau?

Could the Premier tell us under goal 3, page 245 of the business plans, what help departments in fact have received from the Public Affairs Bureau to save money by promoting the use of the RITE system? Could we see that documented?

I am concerned also, Mr. Chairman, that key performance measures are listed on page 196 and they relate exclusively to supplier, customer, client satisfaction. They do not list the amount of extra revenue that the Public Affairs Bureau has raised in keeping with its objective of raising revenues. They do not list any specific performance measures other than satisfaction, which are at best soft measures, but there are hard criteria that can be dealt with that I think should be, and one of them is that particular measure that we're looking at.

5:00

I would like to see also what effort the Public Affairs Bureau has been putting into helping departments "implement Growth

Summit recommendations related to communications,” because there has been almost no reflection in the throne speech or the budget of commitment to Growth Summit recommendations. So I'm very pleased to see that one of the Public Affairs Bureau business plan features, highlighted no less, is to help departments respond to the Growth Summit. It's just a great thing to see, actually.

I'm very interested in a number of other questions. I think I'll just start here.

MRS. SOETAERT: Oh, you've got Mary going again, Grant.

MR. MITCHELL: Is Mary at me again? My gosh. [interjections] What's that? [interjections] I have a what?

THE CHAIRMAN: Hon. minister, if we could let the hon. leader get on with his questions.

MR. MITCHELL: Thank you, Mr. Chairman. I'm being provoked, and I'm using a great deal of patience here. I'm telling you.

With respect to the Northern Alberta Development Council plan, could the Premier please give us some indication of what he is doing to capitalize upon the tremendous economic development potential for that region by creating transportation and communication links not north/south for that region but through to the west coast and the various ports? Transportation advantages for that region. That could tremendously open up that region, and I would like to see and I know my caucus members and Albertans would like to see what exactly they are proposing to do on that, Mr. Chairman.

I'm interested also in knowing a few other answers to specific questions. Can the Premier indicate what objects, strategies, performance measures, and benchmarks have been established for 1998-99 to support the mission statement of the office of the Premier/general administration as laid out on page 239? What types of weekly and monthly reports are prepared by the office of the Premier/general administration tracking the views of Albertans on such issues as health care and education and the issues that are reflected in correspondence to the office of the Premier? What tracking is done? Could we see a summarized report of that?

What steps are being taken by Executive Council in conjunction with Alberta Treasury to allow for the auditing of core performance measures by the office of the Auditor General in 1998-99? What initiatives have been or will be undertaken by communications technologies in preparation for the implementation of Imagis, the integrated financial and human resources software program? Has the financial package been fully implemented? What initiatives will be undertaken by communication technologies in '98-99 relative to the upgrading of the Alberta government Internet home page to increase the relevance and timeliness of posted information? Are any additions anticipated to the Internet site in 1998-99?

What new products have been developed consistent with the business plan? New products have been developed by this department because they have been charged under their business plan to develop new products. Could we have performance measurements that relate to those and add those up? They are empirical and they are hard data. It would be easier to measure in fact than customer and client satisfaction.

I would like to make a point about the focus on customer satisfaction and on client satisfaction. This department tends not

to deal directly with the people of Alberta, but in the sense of them being clients, they deal with client departments. I think it's very important not to ever allow us to get into the terminology that refers to Albertans as clients of government. It's a very dangerous terminology. Albertans are citizens, and citizens relate differently to government than clients relate to business. I want to make the point that that should be remembered. Let's not tread down that line where they're focused on announcing and communicating the fiscal agenda and they're focused on clients, not citizens and not people.

Some more questions here. What's the rationale behind the \$475,000, or 34 percent, decline in the NADC budget in '98-99, and what impact will that have on the organization's ability to implement its business plan strategies and attain leveraging goals and satisfaction requirements with respect to performance measures? What type of research opportunities will be conducted by the NADC with private-sector partners in '98-99? What percentage of the \$924,000 budget is dedicated to research? What portion of the NADC budget is allocated to dissemination of northern economic development information and compilation of reports? What type of economic development – we have somebody with a mind like a computer. [interjection] Lennie Kaplan.

What type of development opportunities have been identified by NADC for '98-99 that will result in partnerships with the private sector, community-based agencies, and government agencies? What portion of this budget is allocated in this area? What steps are being taken to “encourage greater local business participation in spin-offs from industry”? For example, what level of support will there be given to the development of the Lakeland Aboriginal Business Association which is consistent with the strategy laid out on page 241 of the business plan of Executive Council? What efforts, specifics are being undertaken to “identify and pursue strategies, particularly in aboriginal communities, to increase local economic and business benefits from resource development”?

Mr. Chairman, also this would be an important performance measure. What efforts are being undertaken to “partner with the Alberta Northern Tourism Destination Region to promote product development and marketing opportunities”?

Is there a breakdown of the \$6.626 million budget for the Public Affairs Bureau by objects, salaries and wages, travel expenses, advertising, insurance, freight and postage, telephone, communications, repairs and maintenance, data processing services, hosting, grants to individuals, businesses, nonprofit organizations, and grants to other levels of government as well as for polling?

MR. WHITE: How much for carbon paper?

MR. MITCHELL: And how much for carbon paper? Yes. That's right. I forgot about that.

Is there a breakdown of the number of FTEs by subprogram: administrative services, communication services, communication technology, Queen's Printer bookstore, publishing, RITE telephone system, and so on?

How much of the communications budget is allocated to Highwood Communications? What type of projects are worked on by firms such as Highwood Communications during the course of the fiscal year? Can you provide further information on communication services' role in such initiatives as the Provincial Health Council's public consultation process, trade missions, and presenting material to present Alberta on the international stage?

Mr. Chairman, am I to speak until 5:10?

THE CHAIRMAN: You're okay.

MR. MITCHELL: How effective has the decision been to retain an agency to purchase media on behalf of government departments to improve co-ordination of advertising activities across government, lower negotiation costs for government, and increase the value the government receives for its advertising dollars? What initiatives are planned by the Queen's Printer bookstores in '98-99 to improve its inventory system, including printing-on-demand service for its clients and computerized operations in Calgary and Edmonton bookstores?

Thank you very much.

THE CHAIRMAN: The hon. Premier.

MR. KLEIN: Thank you, Mr. Chairman. There were so many questions, many of them excellent questions. They all deserve an answer. They will be recorded in *Hansard*. Our staff will take them under notice, and we'll attempt to reply as soon as possible in writing.

In the interests of time I would move that the committee rise and report progress.

5:10

[Motion carried]

[The Deputy Speaker in the chair]

MR. SHARIFF: Mr. Speaker, the Committee of Supply has had under consideration certain resolutions of the Executive Council, reports progress thereon, and requests leave to sit again.

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

HON. MEMBERS: Agreed.

THE DEPUTY SPEAKER: Opposed? So ordered.

head: **Government Bills and Orders**

head: **Second Reading**

(continued)

Bill 16

Appropriation (Supplementary Supply) Act, 1998

[Adjourned debate February 19: Mr. Renner]

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

MRS. SOETAERT: Thank you, Mr. Speaker. I know I only have a few minutes to speak to this, and I know people regret that. I did want to speak for a few minutes about transportation.

The specific one was about the budget for disaster services and the funding that went to Peace River. I'm assuming it went to Peace River after the flood up there. I was up there shortly after the flood, and it was quite devastating to that community and certainly ruined the economy of the downtown core. [interjection] I'm surprised the minister is laughing at something as serious as a flood in Peace River.

MR. SMITH: The devastation of your arrival would override any flood.

MRS. SOETAERT: I went up there and the flood was devastating; I wasn't devastated. Thank you for that correction. [interjection] But at least I wasn't stunned. That's true.

I want to ask the minister how long it took to get that funding up there, what was the breakdown of the money, how did the businesses finally get that, and what was that breakdown of those moneys spent on disaster services?

I also want to briefly mention the education funding program and want to ask something there about school capital construction and renewal. If the minister could possibly send us some information on which schools got that, what process is in place for getting those, who is ultimately in charge of that, and if he would consider a process that involved more grass roots than is presently in place: that the municipalities, the communities, the school boards ask for the construction and that their wishes are represented rather than bureaucrats'. What they request, I think, is certainly more relevant, because they live in that community, than the minister, who may not live there, and certainly the people delivering those programs.

I also want to speak for a moment . . . I don't get a moment? Actually, Mr. Speaker, I appreciate the opportunity to speak to these estimates.

Thank you.

THE DEPUTY SPEAKER: I hesitate to interrupt the hon. Member for Spruce Grove-Sturgeon-St. Albert, but in accordance with Standing Order 61(3) the chair is required to put the question to the House on the appropriation bill on the Order Paper for second reading.

[Motion carried; Bill 16 read a second time]

[At 5:17 p.m. the Assembly adjourned to Monday at 1:30 p.m.]