

Legislative Assembly of Alberta

Title: **Monday, April 19, 1999** 8:00 p.m.

Date: 99/04/19

head: Committee of Supply
[Mr. Tannas in the chair]

THE CHAIRMAN: Good evening. I'd like to call the Committee of Supply to order. For the benefit of those in the gallery, this is the informal part of the Legislature. Hon. members are allowed to have coffee but not to spill it. They're allowed to walk around, but we still go by the convention that only one member is standing and speaking at a time.

May we have unanimous consent to revert to Introduction of Guests?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed?

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

head: Introduction of Guests

MRS. SOETAERT: Thank you very much, Mr. Chairman. It's my honour tonight to introduce some of the members from the Evergreen Catholic separate regional division No. 2. Part of it is in my riding, part in the Member for Stony-Plain's, and part in the Speaker's. Tonight we had a very enjoyable, informal meeting in the Speaker's office. I'm pleased to introduce those who are from my riding. The chairman of the board is Gerald Bernakevitch. You have to pronounce it on the right syllable. He's the chairman of the board. Bob Vasseur is here and the superintendent, Mel Malowany. I'm going to ask you to rise later and receive the applause because I believe the Member for Stony Plain is going to introduce the rest. I have to guide him, though, sometimes. I thank you for coming out tonight. It was an enjoyable chance to chat and share some of the concerns.

THE CHAIRMAN: The hon. Minister of Public Works, Supply and Services.

MR. WOLOSHYN: Thank you, Mr. Chairman. It's my pleasure to introduce you to my two constituents from the Evergreen Catholic separate regional division. They are Christine Sauer and Keith Shillington. As the Member for Spruce Grove-Sturgeon-St. Albert said, we had a rather enjoyable meeting in the Speaker's suite.

THE CHAIRMAN: Okay. I'm introducing two members as well: vice-chair Caren Mueller and trustee Mr. Alvin Yager. We'd ask them all then to stand and receive the traditional warm welcome of the Assembly.

The hon. Member for Livingstone-Macleod.

MR. COUTTS: Thank you very much, Mr. Chairman. It gives me a great deal of pleasure tonight to introduce to you and through you to members of the Assembly on behalf of the Hon. Iris Evans, the Member for Sherwood Park and Minister of Municipal Affairs, some people from her constituency. There are 21 young cubs up in the members' gallery, and they are from the 181st Westboro cub pack. They are accompanied tonight on their visit to the Legislature by some very important people. Without their dedication and their volunteering, these young cubs would not be here tonight. I would like to thank on behalf of the minister Brad Doucette, Donna Milton,

Ed Gooch, Jim Smith, Dan Townsend, Dan Lahaie, and Doug Maloney. Those are the leaders for the cub pack. They are assisted tonight by Denise Robertson, who is a parent and helper. I would ask them all to please rise and receive the traditional warm welcome of this Assembly.

head: Lottery Fund Estimates 1999-2000

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

MS BLAKEMAN: Thank you very much, Mr. Chairman. All right; I'm very pleased to rise this evening to begin the second day of debate on the lottery fund estimates. Well, lotteries have had an uneasy time of it in Alberta, some good, some bad, some roller coaster and some not. Certainly I remember, with the tatters of the Social Credit disapproval hanging over us, it was agreed in this province in the late '60s and early '70s to have lotteries but only on the basis that the proceeds would go to charitable, non-profit activities, specifically those benefiting arts, recreation, and youth.

Throughout the '70s various funds were established to receive the proceeds of lotteries, and those were in turn distributed to the arts, recreation, and youth activities. Somewhere along in there a lot more money was coming in than was part of the fairly small amounts that were being designated to go in on a yearly basis to these arts, recreation, and youth funds that were established to receive this money. Then there was a great deal of activity from the public and the Legislature to have an accounting of the full amount of money that was being made through the various gambling activities and also where the money was going. If that much was coming in, where specifically was it going?

It's interesting to do a comparison at this point about gambling and addiction. We're certainly well aware of the signs of addiction, and my compliments to the agency of AADAC, the Alberta Alcohol and Drug Abuse Commission, for helping to educate Albertans in those signs of addiction. We all have seen enough of the 12-step programs to know them, and I don't need to go through those. A sign we would recognize is that an addicted person is certainly willing to do anything, say anything, or promise anything to get their fix or to get another fix. I looked at a couple of the dictionary definitions for addict:

to apply or devote . . . persistently or habitually . . . One who is given to some habit, especially to the use of narcotic drugs.

Addicted

frequently or persistently to an indulgence, practice, etc. Suggests a pathological weakness . . . a tendency or usual practice. Both words may apply to good or bad things, but usually to bad . . .

Implies fondness and is usually applied only in good senses,

also commonly used with "habituated." That is from the *Funk & Wagnalls Canadian College Dictionary*, if anyone is wondering about my source.

I think it's worth while at this point to talk about addiction in connection with the lottery fund. That's certainly where a number of the funds are coming from, although that's not to say that all people that gamble are addicts. I think, as my colleague from Edmonton-Rutherford has pointed out, a number of people indulge in gambling activities for recreation, have a good time of it, spend their 20 bucks and go home. Certainly that's the case, I think, with a number of other activities that would fall under that like bingos, pull tickets, or buying 6/49s or scratch and wins or zodiac tickets and all the various forms that they have today.

But I think what we see here in Alberta is a government that is addicted in all the terms and senses and meanings that I've given to the proceeds of gambling. The amount of money that is brought into the government coffers now from gambling proceeds is, I've heard,

double that of oil and gas revenues, which is very interesting, because oil and gas revenues are our natural resources in this province, and certainly Albertans have looked to those resources to give them some sort of payment. If we're going to be selling them to outside sources, Albertans should be benefiting from these natural resources, but I don't know that I can use the same argument with gambling proceeds. We've heard quite a bit in the last five years with communities feeling that quite a bit of their money has left the community, and some of it has come back, and they've certainly been vocal in saying that not the same amount came back; less came back.

8:10

There are also the controversies we've all heard around the VLTs, and some people are comfortable with those and some people aren't. Some communities don't want them and some people do. But I will note that at the same time there has been a cap on the VLTs, there has been no cap on the slot machines, and as far as I can tell, the number of slots continue to go up, and the government, I think, makes the same percentage on the slot machines as on the VLTs.

We came to the point of the gambling summit at about this time last year. I attended that gambling summit, and there were three of us from this Assembly who were in attendance at that gambling summit. [interjection] I am so sorry. I have been corrected. Four of us were there. [interjection] Yes, I counted her. It was very interesting to listen to what the people who were attending this gambling summit said, and I'll remind the Legislature that half of those in attendance at the gambling summit were citizens at large chosen to attend it and the other half were what would be considered stakeholder groups.

I have done this recap to bring us to this point in time. I have gone over carefully the previous debate, day one, of the lottery debates, and I disagree with some of what has been said and put forward in that debate. I'll just go over a few things now. Recommendation 4 said "that gaming and lottery profits not be directed to the province's General Revenue Fund," and recommendation 5 from the gambling summit was

that all gaming and lottery profits collected by the province be directed to supporting charitable or non-profit [community] initiatives.

I also have the quotes here from our Premier, who was commenting on this, and again he reflects those, "that gaming and lottery profits not be directed to the province's general revenue fund" and "that all gaming and lottery profits collected by the province be directed to charitable and non-profit . . . initiatives that benefit all Albertans."

Now, I point those out and I read them into the record and quote directly from documents that have been previously tabled in this Assembly because I'm going to read another quote, and that is out of the *Hansard* of April 15, 1999, with the hon. Minister of Economic Development speaking. I'd like you to listen carefully. The quotation there is:

One of the recommendations was that gaming and lottery profits are not to be directed to the general revenue fund. The second one was that all gaming and lottery profits are to be directed to supporting charitable and not-for-profit government initiatives.

There is a major difference in those two sources that I have quoted. The minister has added in the word "government." "Government initiatives" were not what was considered in the gambling summit, and I don't need to go back and read those into the record for you again.

Now, let's go over those recommendations. I think part of what is happening here is an elaborate shell game that is being played with the intent and the letter of the recommendations from the

gambling summit and also, I think it could be argued, from the Gordon report, which was an excellent report gathered by consulting with Albertans over an extended period of time.

Not into general revenue. Well, why? Why didn't people want it going into general revenue? Well, people felt the government should pay for essential and necessary government programs through taxes and other government revenues, and I mentioned the oil and gas earlier. People did not feel comfortable with having things like education, health, and infrastructure funded through lottery dollars. Well, what do we have now?

I will refer you to pages 108 and 109 of the lottery fund summary of payments. I think I can argue that there are a number of programs that have been transferred into the lottery fund and are therefore now being paid out of the lottery fund that would in fact fall under that: upgrading of seniors' lodges, a number of programs through Advanced Education and Career Development, a couple of programs through Education. I'll point out that these programs were not paid for out of the lottery fund prior to this year. There is no indication beside it that any money came from the lottery fund into these programs prior to this year, and that's an important thing to note.

Let's talk about charitable and nonprofit initiatives. Well, the bottom line on this lottery fund is \$769,500,000. Getting right up there. It could be pushing a billion, I suppose, fairly shortly. Now, that entire amount of money I just gave you has been divvied up to initiatives and programs in all but I think three or four of the 18 government ministries.

Now, under Community Development there has been right from the very beginning -- you'll cast your mind back, I'm sure, to when I started on this debate -- a number of arts, culture, recreation, youth, and now volunteerism initiatives funded under lottery dollars, and that indeed was the initiative for starting to allow lottery dollars in here. But we have programs like the water management and erosion control program; regional co-ordination in the capital region; as I said, upgrading of seniors' lodges; irrigation rehabilitation; municipal wastewater; the Kangwon International Travel Exposition; fire-related reforestation; construction and upgrading of water infrastructure. I'd be interested in hearing from the minister how this is charitable and nonprofit. These are most definitely government programs that were funded -- I'm sure we could find them if we looked in last year's estimates -- previously through government revenue and have now been transferred to being paid for out of lottery funds. I don't think this is what was intended by nor is it in the letter of the recommendations from the gambling summit.

People were also concerned about the instability of lottery money, and that's part of their support for one of the recommendations. Again, I will read that into the record.

Most participants felt the portion returned directly to communities was too low. In addition, there was considerable concern that lottery funds were being used, in part, to supplement the operational costs of essential services. Not only is this contrary to one of the Guiding Principles recommended by the 1995 Lottery Review Committee . . .

This is more commonly known as the Gordon report.

. . . but it creates a dependence on an unstable source of funds.

Now, there's nothing to say that gambling will continue forever in the province of Alberta. Is it likely that it will stop tomorrow? No, it's not likely. But that is not a stable, guaranteed source of funds. So the other side of that argument, then, is: do we really feel that programs like the fetal alcohol initiative, construction and upgrading of health facilities, the Alberta Wellnet, the Calgary regional health laboratory facility, the north/south trade corridor are programs that could disappear next year if those funds aren't there, that we don't need them very much and that's why we can put them under an unstable source of funding? Either way you look at this,

it's inappropriate that these programs -- government programs, one presumes, wanted, desired, and useful government programs -- are being funded under the lottery fund now and using up every cent that's expected into the lottery fund.

I would be curious as to whether any of these programs had their staff people go to the minister and ask to be funded under lottery dollars. I can certainly speak from experience in saying that arts and culture did not want to be funded under lottery dollars, but they were. I also find it very ironic that AADAC is now 100 percent funded from gambling proceeds. I will note that there was a commitment to increase the amount of funding to combat gambling addictions, but I certainly did not understand at the time that the entire AADAC program would be funded, 100 percent of it, from gambling dollars. Perhaps people feel that's appropriate. I find it very ironic.

8:20

I note in the minister's comments from the first day of lottery estimates that questions related to the individual projects I am directed to ask the individual ministers. Well, I did. It was very interesting, the responses I got, because the responses varied quite a bit. There wasn't a consistent government response, and in every one of those, I gave the same quotations that I have given tonight to put them on the record and asked why such and such a program was now being funded. In Transportation we're given: "The reason we are using lottery dollars is because this is a significant infusion that'll allow our trade corridor to be able to be built faster." Okay. So we've got "be built faster" as one reason.

Let me go on to science and research. The science and information technology minister's answer to that question: he felt that it should be taken up with the Treasurer.

You know, we had lottery dollars going into the GRF, but . . . one person opposite, raised such a hue and cry about the fact that they didn't know where lottery dollars were going. They're going into GRF.

So that is the answer we got from the minister of science and information technology as to why programs are being funded out of the lottery fund that used to be funded under the general revenue fund.

Let us look at what the Minister of Intergovernmental and Aboriginal Affairs answered to my question. The response was:

In funding programs related to funds through the lottery funds, we're looking for programs where services or infrastructure are being delivered back into the communities.

That was his reasoning for funding out of the lottery fund.

Three different ministers, three entirely different responses. So the government didn't have a consistent response. I also understand that the Minister of Energy responded to that same question.

MRS. SOETAERT: Did he respond?

MS BLAKEMAN: Yes, he did. I did not have time to get his actual quotes.

I think that what the people of Alberta said, both in the Gordon report and through the gambling summit, was that they did not want lottery money going into general revenue because, as has historically been the question, they want to know how much money is being earned through lottery proceeds and want to know where that money is going. They didn't like it going into general revenue because no one was able to pull out what the figures were. The government's response to this is to select a specified figure and then fill it with programs so that they can say: here's exactly where the money is going. Well, that works on one level, but the second level is that people were very clear they did not want anything that could be

considered an essential government service being paid out of the lottery money. It's supposed to be money for extra and, I suppose you could say, money for quality of life once all other things are looked after: education, health, the social safety net, infrastructure, and all of it.

I am absolutely shattered that my time is up, Mr. Chairman, and I do hope I will have another opportunity to complete my comments on this. Thank you.

THE CHAIRMAN: Before recognizing the hon. Member for Edmonton-Riverview, I wonder if we might have unanimous consent to revert to Introduction of Guests.

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed?

head: Introduction of Guests

(*reversion*)

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

MRS. SOETAERT: Thank you very much, Mr. Chairman. It's my pleasure tonight to introduce Steve Zepp and his son Adam. Adam came 12th in his age group in the *Edmonton Journal* games. That's out of all the city. He got a hat trick this season in his hockey endeavours -- another Wayne Gretzky -- and he's passed the academic challenge. The reason I know all this about Adam is because his mother, who is Edmonton-Meadowlark, brags about him regularly. So I'd ask you, Stephen and Adam, to please stand and receive the warm welcome of the Assembly.

head: Lottery Fund Estimates 1999-2000

(*continued*)

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

MRS. SLOAN: Thank you, Mr. Chairman. I'm pleased to go on the record tonight as entering into this debate and, perhaps for the very first time in this Assembly, prompting a public policy debate about the rightful use of lottery and gaming revenue.

It seems very odd to me. According to the 1999-2002 fiscal plan of lottery and gaming, we have a total of \$770 million in lottery revenue that is being distributed across this province to a variety of recipients, many of which, I would suggest, are core, essential programs. The hon. Member for Edmonton-Centre alluded to this topic in her debate this evening.

It seems very odd to me. We've spent thousands of dollars in this province asking the public for their opinion about a possible would-be, could-be tax regime. We've consulted them on issues like paying down the deficit and also paying down the provincial debt, but when were we consulted about funding core government programs with lottery money? I don't recall. Does anyone in this Assembly recall being consulted about using lottery money for the funding of core programs? I think it's another case of the government hoodwinking the public, Mr. Chairman. I certainly don't recall that in the time I've been a citizen in this province.

MR. DICKSON: The minister of transportation doesn't remember that.

MRS. SLOAN: No, the Minister of Transportation doesn't recall that, and I see that the Minister of Health doesn't recall that that has happened.

Mr. Chairman, another substantive issue that we have had a great deal of focus on in the last six months is the issue surrounding private, for-profit health care. There have been a variety of debates, some co-ordinated by government, others not. Why was there not something co-ordinated by the hon. minister about this question? It seems to me that it would be even more prevalent given the fact that I just learned this evening that lottery and gaming have no business plans, have not had business plans.

MRS. NELSON: A point of order.

THE CHAIRMAN: The hon. minister responsible for lottery and gaming.

Point of Order Clarification

MRS. NELSON: The business plans for lottery and gaming have been filed with this House along with the business plans for the other departments. That's not accurate.

MRS. SLOAN: Mr. Chairman, I asked this evening . . .

THE CHAIRMAN: On the point of order?

MRS. SLOAN: On the point of order. Well, I think it's a point of clarification actually.

THE CHAIRMAN: The chair would rule that that isn't really an appropriate point of order. The minister is free to rise whenever the hon. member finishes her comments and rebut each and every one or agree with those that she cares to agree with or disagree with those that she doesn't care to agree with, as opposed to it being a true point of order.

Debate Continued

MRS. SLOAN: Thank you, Mr. Chairman. When I call down to the Legislature Library and ask for the business plans of the lottery and gaming commission and they tell me that there are no such business plans, that would, to me, seem to be an accurate source of information in this Assembly. Now, if the hon. minister has business plans and she'd like to table them in the Assembly, I'd be more than happy, just as all the other ministries have made business plans with objectives and all those citations and what the issues are, what the performance measures are. [interjection] The Economic Development business plan has been tabled -- I acknowledge that -- but lottery and gaming does not have an independent business plan. That is the point I'm making this evening. So I'm more than happy to see it tabled and will look forward to that.

What I'd like to debate this evening is the performance measures, Mr. Chairman. What are the performance measures for lottery and gaming?

Chairman's Ruling Decorum

THE CHAIRMAN: Order. I wonder if we could have some kind of understanding among the hon. ministers that we're still going by the convention of only one person standing and speaking at a time. For a little while there we had about six people speaking. This is not a baseball game. I wonder if we could have one person standing and speaking at a time, and that person that's officially recognized is the hon. Member for Edmonton-Riverview. Anybody who wishes to rebut or add to whatever she's saying is free to do so in their turn.

The hon. Member for Edmonton-Riverview.

8:30

Debate Continued

MRS. SLOAN: Thank you, Mr. Chairman. What I'm referring to this evening is the annual report, and I'll utilize the report ending March 31, 1998, not . . .

MRS. NELSON: Point of order.

THE CHAIRMAN: Excuse us. Hon. minister, if this is just a rejoinder to what has gone on, wait your turn. If you have a point of order, let's have the citation.

Point of Order Clarification

MRS. NELSON: Standing Order 23(h)(i)(j), imputing false motives and misleading . . .

THE CHAIRMAN: To an individual member.

MRS. NELSON: I believe, Mr. Chairman, that just for the sake of the hon. member's 20 minutes, if she would refer to this document -- it's called government and ministry business plans -- and start under Economic Development, there's Alberta Opportunity Company, and then it's followed by Alberta Gaming and Liquor Commission.

THE CHAIRMAN: That is an explanation which you are free to give.

MRS. NELSON: So she doesn't feel that she hasn't had the opportunity to see this, it is in the document that was filed in this Legislature with the budget documents.

THE CHAIRMAN: On the point of order first of all.

MRS. SLOAN: Well, I don't think it's a point of order. I think it's a point of clarification.

THE CHAIRMAN: Then I'll make that choice.

MRS. SLOAN: And certainly on the point of clarification the minister is indicating that the one page, I believe, one and a half pages in the 1999 document The Right Balance is the business plan, and I'm afraid, Mr. Chairman, that I'm accustomed to business plans that are a little bit more substantive than that. So we're talking about . . . [interjection] Well, you're saying that it's a business plan. I'm saying that it's sort of a skeletal outline.

THE CHAIRMAN: Hon. members, whether whatever it is that the minister has tabled, filed, presented is or isn't is not a point of order that can be sustained. You're perfectly correct in whatever argument you want to make. If you want to say that it isn't whatever the minister says it is, you're perfectly free to make that argument, and she is perfectly free of getting up in her turn and making the counterargument. But right now we're on the lottery fund estimates, and, Edmonton-Riverview, if we could go with that.

Debate Continued

MRS. SLOAN: Thank you. This is I think a very good lesson, Mr. Chairman, in constructive nonexistence. I'm looking and I am sincere in attempting to find it. I'm trying to see a reference to a business plan. I don't see that reference in the report cited, but let me continue in my debate.

In the 1998 annual report the Alberta Gaming and Liquor Commission's mandate is cited.

Within the policy framework established by government, includes the following:

- licence, regulate and monitor gaming and liquor activities . . .
- define operating policies and procedures for gaming and liquor activities;
- ensure integrity and social responsibility in the operation of gaming and liquor activities;
- collect gaming and liquor revenue;
- ensure business and program operations are run efficiently . . .
- disburse provincial lottery revenues;
- support industry and government initiatives to address problem gambling and responsible alcohol consumption;
- communicate to gaming and liquor stakeholders . . .

The reference the minister is citing, Mr. Chairman, provides virtually no report on those initiatives, particularly I would cite the "operating policies and procedures for gaming and liquor activities" and ensuring "integrity and social responsibility in the operation of the gaming and liquor activities."

We're talking in these estimates, Mr. Chairman, about a substantive amount of money, and it seems to me that along with the whole question about whether or not it is appropriate to fund core public programs with unstable, unreliable, and perhaps, some would say, unethical funding is this additional question of: do we have comprehensive reporting about how, in fact, this money is being received, administered, and reallocated? Now, the someday minister, soon-to-be minister, the Member for Edmonton-Centre talked about the fact that we have nonprofit agencies, community-based groups that have expressed their reservations and difficulty with receiving money from the lottery fund, and their preference would be to continue to receive money from the general revenue fund. Now, I don't see that the minister has within the context of the annual report or the 1999 document *The Right Balance* discussed that question. What consultations have occurred around that? Where is it recorded and reported that those concerns exist?

What do the citizens of this province feel about the fact that we are funding -- let me just cite again for the record -- irrigation and infrastructure? We are funding athletic scholarships. We are funding services for problem gamblers. We are funding human rights, citizenship, and multicultural initiatives from lottery funds, community facility enhancement programs, fire-related reforestation, natural resource services. Fetal alcohol initiative: the whole kit and caboodle is funded, \$1 million dollars, by lottery revenues. Is that not an essential program? Is that not an issue that is a root cause of the increased expenditures in our other programs in this province: health, education, social services? Absolutely, it is.

So does the government think, then, that it would not be a justifiable use of public money to fund an initiative that would reduce the incidence of fetal alcohol? No. They give it unstable, unreliable funding out of the lottery fund. So what does that mean, Mr. Chairman? Well, it means that the whole future of that program and the ability for it to be able to operate in a manner that is secure is in question. Really they're operating on a year-to-year commitment that the Minister of Economic Development will provide the same reliable funding as last year, and of course that's not within her control.

Further, we have advanced medical equipment. We have an innovation fund in health care. We have grants for municipalities for innovation in governance and services, construction and upgrading of health facilities to the tune of \$60 million, construction and upgrading of water infrastructure to the tune of \$20 million, upgrading of seniors' lodges, \$10 million. At the same time this is occurring, we've got a debate and a process of review going on

around the province about long-term care. Well, undisputably an essential service and will become even more essential as our population ages. Here we seem to be hinging the structures in which a large number of seniors reside on funding from the lottery fund.

Further, we have an allocation in science, research, and information technology, a total of \$33 million in that area, Mr. Chairman. Again, would not a government that has truly a balance see the investment of public dollars in that area as something that was undisputably justified from the general revenue fund and should be sustained over a longer term rather than on a year-to-year basis as can only be committed from the lottery fund?

We also have Transportation and Utilities, a total of \$72 million in that area being allocated from the lottery fund. The north/south trade corridor, which this government has largely marketed as a way of stimulating economic development and growth in the northern part of the province: again a huge, huge component of that coming out of lotteries.

Why is it that we're doing this, Mr. Chairman? Why have we decided to sneak through the backdoor, make these allocations to core public programs from the lottery fund and not from the general revenue fund? Well, the government would argue that, you know, there isn't sufficient revenue in the general revenue fund to be able to provide funding to all of these programs. The question would then be asked: well, why is that the case?

8:40

We have had a long history in this province of abhorring any mention of the word tax, any discussion or consideration of that, but in essence we are imposing a tax on the vulnerable in this province by exploiting their addictions to the max, I would suggest, and using that money to fund back some of the very programs that treat problem gambling, that treat fetal alcohol, and that treat alcohol abuse. It is a huge, huge social and public policy question that I think quite frankly this government has shied away from confronting and addressing. They've done it because it makes fiscal sense. It's an easy fix. It's easier than consulting or contemplating doing anything on the tax side in this province. But is it really?

While it may seem to make simple and healthy economic sense, Mr. Chairman, does it make sound, solid public and social policy sense? I would say not, but I would reserve and say that at the very least in this province we should be debating that question, and we have not, not only not debated it but not even made reference in annual reports or business plans about that. I would hope that the minister would take that under advisement and next year bring back in the reports from her department an overview and discussion of that issue.

One other aspect of that particular point is that perhaps the minister should contemplate actually funding some research into the area of gambling and alcohol abuse and the social and public policy components of that. We know from the Alberta Lotteries and Gaming Summit '98 report that problem gambling has increased significantly in Alberta aligned with this government's increasing reliance on lottery funds. Currently in the province we have according to the report about 5.4 percent of adults with "trouble controlling their gaming habits." I find that word a little bit difficult. I think that what we're talking about, Mr. Chairman, is addictions. Why are we not calling them addictions? "Problem gamblers are defined as people who have gambling behaviours that result in harm being done to themselves or others." Why are we couching it in words like "behaviours" or "habits"? That makes it appear as though these people have some degree of control over the behaviour when in fact it's an addiction, and we should be calling it that.

If we want to take the hard Conservative ideology that this is just

an adult problem, let me remind you that "eight per cent of Alberta teens aged 12-17 have a problem with gambling." Why did that not warrant some mention, some allocation of funding in the annual report? Problem gambling among aboriginals is twice as high as the general population, and our rates in Alberta are higher than anywhere else in Canada. A substantive problem, Mr. Chairman, and not enough being done about it. Not enough.

I look at -- and this is again contained within the summit report. The allocation of funding for alcohol is another area of consideration. The Alberta Alcohol and Drug Abuse Commission in 1993 provided approximately \$150,000 for programs in the province. They are now up to \$3 million in 1998-99. Now, it is pointed out in the summit report:

The social costs of problem gambling are not well known. Some studies have estimated the cost to society of a problem gambler ranges from \$13,200 to \$20,000 per year. Based on these estimates, and an estimated 106,400 problem gamblers in the province, this would amount to \$1.4 and \$2.1 billion per year for Alberta.

That's half the cost of running our health care system.

So it's a huge issue, but it doesn't seem to warrant attention. While the government's prepared to ignore that and ignore the costs that this is placing on communities and families and spouses and children in this province, they will go on and continue to exploit those addictions to provide funding for core programs in Alberta.

Those are the majority of the issues that I wanted to raise this evening, Mr. Chairman. The final one I would raise, which again is referenced in the summit report, is community conflicts. This has certainly been another area of wide debate in the province: how the allocation of lottery funds and the structure through which that money is channeled has divided communities in Alberta. It is cited by the summit:

Municipalities do not have the power under provincial law to ban any type of legal gaming device or activity, including Video Lottery Terminals (VLTs). However, the provincial government said in March, 1997 that it would remove VLTs from any community that voted by a simple majority to do so.

Well, we've now seen, Mr. Chairman, communities vote to have VLTs removed, and we've now also seen the government say that they don't have the political wherewithal to uphold their word and take these machines out of the communities. I think now the spin, the line of defence is to say: well, there may be a court challenge, and therefore we are not going to proceed to do that.

The reality is that not only is this divisive on an individual and a community level, Mr. Chairman; it is also divisive on a municipality level. That is something that only the government can take direct responsibility for.

MR. DICKSON: That's the byword of this government, isn't it? Division?

MRS. SLOAN: No kidding. We could -- yes, absolutely. The hon. Member for Calgary-Buffalo has indicated that division is like the gospel byword of this government. It certainly has been successful, if in doing nothing else, in dividing communities, dividing constituencies, and dividing citizens across the province.

I look forward to the day in the Assembly when we debate these questions, these issues of social and public policy, and we see this government taking some initiative and providing some research on those very issues. If they are not going to do it, who is going to do it in this province, Mr. Chairman? I would suggest that as long as this government wants to rely on lottery funding, they should be prepared to do the research to tell Albertans at what social cost we are proceeding down that road.

MR. DICKSON: It's unfortunate they didn't do the research first.

MRS. SLOAN: That's very true.

At this stage, Mr. Chairman, I have provided my thoughts. I look forward to next year's annual report and next year's business plan, and I will look with interest to see if the minister has . . . [interjection] Well, I'd like more than two pages is what I'm asking for, Madam Minister.

Thank you so much.

THE CHAIRMAN: The hon. Minister of Economic Development.

MRS. NELSON: Mr. Chairman, just for clarification so other members aren't as misguided as the one we've just heard from, I would like to ask the hon. member to refer to this document that was filed. [interjections] Is it my turn, Mr. Chairman? I've been most patient.

THE CHAIRMAN: Yes. I think she should honour your speaking as you did hers.

MRS. NELSON: Yes, I was very good.

Read this document. Go through it and have a look at it. You might have some questions answered. I think it's important.

The other thing the hon. member shouldn't get confused about is that there's another group that actually deals with addiction called AADAC. They actually file a business plan through Community Development and actually put in an annual report to this Legislature, as does the Alberta Gaming and Liquor Commission. So the activities of the year are given in an annual report that we do file in this Assembly. If you'd like to refer to it or like a copy, just pick up the phone and ask for one, and we'll give you a copy of it. There's no secret because they are public and we do file them here. I wish you would read them so you would have an idea. The commission's role is clearly spelled out in this document.

8:50

Now, the hon. member, Mr. Chairman, talked about how the government should do research as one of the recommendations. Well, if she would read, again, in here under Economic Development, there's what is called the Gaming Research Institute, which is going to receive 1 and a half million dollars. We've already announced that gaming institute to in fact provide us with -- and listen up -- clear, hard facts on research so we can actually test some of those concepts that are out there. I think it's important, because obviously you haven't been paying attention as we've been filing and making news releases on responses.

MRS. SLOAN: Where is it?

MRS. NELSON: It's on page 108. It's under Economic Development. It's called Gaming Research Institute. I thought we had labeled it quite clearly on page 108, Gaming Research Institute. That is to be the first of its kind in Alberta to do hard-core research, and it is a joint project between the Minister of Community Development and myself so that we can feed the information through to the appropriate parties. In fact, we've been working with the universities, Mr. Chairman, to form a consortium to do the research for us, and I think we announced that there would be a council that would oversee the institute because we need to have this information. We can't have people second-guessing what is or what is not.

The other thing I wanted to comment on, Mr. Chairman, is the assertion that there wasn't anything in the gaming commission's documents on juvenile addictions. That is not their job. That is the job of AADAC. If members would read the reports that the hon. Member for Calgary-Currie files as the chair of AADAC, I'm sure

they would find that they are in fact tracking and following not only alcohol addiction and drug addiction but also gaming addiction. In this document, again on page 108 of the report, it shows that \$3,395,000 is being dedicated for services to problem . . . [interjection]

You see, Mr. Chairman, this is why she doesn't know anything: she never stays quiet long enough to hear anything. If you would just listen for once, just one day, just listen, you might learn something and not embarrass yourself in this Assembly by not knowing even the budget documents that have been filed before you get up and spew off nonsense about documents not being filed in this Assembly. So if you'd just pay attention for five minutes, I'll give you the guidance as to where to find this information.

Mr. Chairman, it's very important . . . [interjection]

THE CHAIRMAN: A point of order, Edmonton-Riverview, or just wanting to get into the debate?

Point of Order Clarification

MRS. SLOAN: It's a point of clarification point of order. First of all, the page number, Madam Minister, that I think is the reference you're looking for is 86. And secondly . . .

THE CHAIRMAN: Whoa. Just a minute.

MRS. SLOAN: Oh, sorry.

THE CHAIRMAN: Hon. members, points of clarification aren't really recognized. They are usually slipped in surreptitiously by an hon. member who's rising on a point of order, and really it's clarification. So there's no such thing as a point of clarification.

But, hon. Member for Edmonton-Riverview, if you wish to enter debate, because we are in committee you are free to respond to whatever the hon. minister says that you need to speak to.

But right now let's hear from the Minister of Economic Development.

Debate Continued

MRS. NELSON: Well, Mr. Chairman, I think it's very important that the hon. member gets the right information. That's what I'm trying to indicate in this House.

AADAC has done some wonderful work over the years, has in fact received a number of world awards for the work they have done on addictions, not only on alcoholism but also on narcotics. They also did last year what was called a prevalence study that was very instrumental and was fed through the gaming summit to not only the stakeholders but the general public so that they could look at the prevalence of gaming within the province of Alberta. Now in addition to that, that's not enough; they have to have more. They need to have additional things such as the research institute to provide them with hard information so they can move forward with planning and with types of programming that may be appropriate to deal with all kinds of addictions.

Now, Mr. Chairman, I'm going to just relay some information that I came upon about two weekends ago when I was down at the Canadian gaming conference. I attended a session on youth addiction to hear what some of the information was from this presentation. There was a professor from McGill who was giving the lecture. He indicated that there was some difficulty with youth addictions -- now, again she's not paying attention -- but in part of it he was talking about how youth become involved in gaming.

He cited such items that he felt there was an influence from: some of the computer games, some of the board games -- he even said Monopoly -- where people were shaking dice and moving different things around the board and then buying properties and selling. All of these games led to chance, and he relayed that was where some of the thrill of winning was coming from for youth, particularly with the introduction of things such as computer games and different CD disk games that kids were running.

That was what they talked about when they said that youth were getting involved. Some of the sports betting that goes on, where they see sports betting in their own school and in their own community leagues, was something that they felt might -- might, very heavy on "might" -- lead to a desire to get involved in gaming activities when they become an adult. Obviously most families, I'm sure, through their tenure with their children growing, have played the games of Monopoly and chess and card games with their children, and I don't think it would be a popular view to say that because you did that, your child may have tendencies towards addictive gambling. So I think it's quite obvious that there needs to be some more hard-core research.

My experience with addictions goes back a great number of years, about 25 years now. I've worked with addicts at both the university level and through my corporate experience. I was the corporate representative for AADAC in the private sector, where there were major problems. Some of the programs that were put in place were very clearly necessary for the addict, but more importantly the programs that had to be put in place were those that were support programs for the families and the people around the addict. That's part of what AADAC does with the support of this funding, and I would think the hon. member would be grateful to see additional funding going in now to problem-gambling scenarios to deal with some of those issues. Couple that with the research institute we've already announced months ago and I believe we have a good start to getting some hard-core research so we can in fact do some planning and have some debate and look at how we carry forward with gaming activities in this province.

The other thing that I think is important for the hon. members opposite. This summary of spending in the lottery fund is a direct result, Mr. Chairman, of the recommendation from the gaming summit where each department, if they had not ongoing or essential programs that needed to be funded, could look at onetime funding for programs that could qualify for lottery funds. We can go all the way down all this list and see clearly that these are not ongoing programs that we offer within each ministry. We can also identify here -- and each member opposite or on our side of the House can ask any minister to explain their application to the lottery fund for funds. Keep in mind that this is not essential programming. This is onetime funding to move programs forward, clearly, like we did when we put the \$130 million into the Health budget a year ago to deal with the Y2K issues to try and bring their systems up to date so program dollars would not have to go out of Health programming to deal with a computer problem called Y2K. If the hon. members object to that, well, I believe these dollars are being used for good purposes.

9:00

I would say to the members opposite and the members on our side that if they have specific questions, they should have dealt with them during the budgets of the various departments, but this is an opportunity for them to ask the specific ministers to talk about the allocations from the lottery funds to their ministries. These dollars are not in the general revenue fund. They have been pulled out and are in the lottery fund as opposed to the general revenue fund, again,

another acceptance of the recommendations from the gaming summit.

With that, Mr. Chairman, I hope I have clarified for the hon. Member for Edmonton-Riverview where some of the information can come from. Simply, if you pick up the phone and call my office, we will provide you with the detail. We don't mind doing that. I've already filed 40-some-odd answers to questions from Edmonton-Rutherford. I don't mind answering questions, but for heaven's sake, please try and go with accurate information.

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

DR. MASSEY: Thanks, Mr. Chairman. I would like to ask a few questions. Some may have been answered, but I think the issues raised in this year's estimates are ones that are worthy of some thought and some debate. I note and the minister has noted that the Auditor General had made a recommendation in last year's Auditor General's report:

Responsibility for obtaining accountability from grant beneficiaries should be placed upon the appropriate ministry and thus beneficiaries should be required to report results in terms of expectations established in their business plans.

So the minister has rightfully placed these moneys in the various ministries. Education and Advanced Education are the two that I've looked at most carefully.

The Auditor General goes on to make a second recommendation, that "those ministries should be accountable to the Legislature for the expectations of and results from the payment of Lottery Fund grants." My question is: what role does the Minister of Economic Development have in making sure that there are performance measures in place? Is there any role for the ministry, or is it just a flow-through operation for ministries like Education and Advanced Education? Who's responsible for the performance objectives?

I think it's an important question, because if you look at the business plans particularly for Advanced Education and Career Development, there are three program areas: athletic scholarships, infrastructure support, and learning television, for a total of about \$34,629,000, which is supported from the lottery funds. In Education, K to 12, school construction and renewal receives \$100 million, and school technology upgrading receives \$20 million. Those are not onetime programs in Education. It's important for us to be able to track what we are getting for those lottery dollars.

In fact, in another part of his report the Auditor General criticizes the Department of Advanced Education and Career Development for not having a long-term infrastructure program and not having in place some consideration of the risk Albertans face for not having an infrastructure program in place, the risk they take in terms of those buildings deteriorating more quickly than they're being repaired or replaced. So the performance objectives related to the lottery funds that are spent in Advanced Education and Education are extremely important, and if it is a flow-through operation, is that the way it should be, I think is the question. Should the department that passes on those moneys not have some obligation to make sure that they are being accounted for from the receiving department?

The whole business of lottery funds and financing education out of lottery funds raises a host of questions. I don't recall those questions being debated in the Legislature, and certainly we didn't have time in estimates to get to them. There are a couple of questions I think we have to look at. It's a question that's being raised by the bishop of Calgary. It's a question that has been raised by parent councils in Calgary and across the province, and that is: should governments finance programs like education, programs for children and adolescents from the proceeds of gambling? It's a

question that's being asked more frequently. It's a question that I think was handled in the past when gambling funds were put in the general revenue fund and people didn't really realize that the departments that were providing services were using gambling moneys to support them. But it is an issue for many people who feel that schools and universities and colleges are public institutions that should be financed out of general revenue funds and that the government has no business making those community services dependent on lottery funds for their financing.

It's a question that has been answered south of the border. They have gone so far, for instance, in education to launch lotteries that are specifically designed for education. The education enhancement lottery: they even name the lottery in the States. There are 37 state lotteries now in existence, and about two-thirds of them promise that the proceeds will go toward particular departments or programs. Ten of the states direct money toward education, as Florida does. Fifteen others earmark money for tourism, et cetera.

Again, the issue debated in many of those states is the same one we're hearing in small but increasing voices here, and that's the question: morally is it appropriate to finance schools out of the proceeds of gambling? We're caught in a dilemma, most citizens who support public education and public programs. If the lottery money is not accessed, then the kinds of services that we think are appropriate may not be available, so the dilemma is: do you take the money and hold your nose and finance the schools and colleges in this province, or do you refuse the money and let buildings deteriorate? In the case of technology upgrading, do you do without that upgrading? The answer to this point has been: no; we should take the money. I think this is the first year we've seen the moneys earmarked in this manner. I think it's going to become a question that's increasingly raised by Albertans.

9:10

It raises the question for citizens in terms of our civic responsibilities. One of the questions I guess we should ask ourselves is: should we be relieved of our responsibilities to children by resorting to gambling? Do we not as citizens and as a government have an obligation to finance on a more stable footing something as important as our schools and our postsecondary institutions?

The notion of citizenship and our responsibility to pay taxes for the services we all deem to be in the public good is a question that I think has yet to be addressed either by the government or even publicly. We seem to be in such a rush to escape from paying taxes that any solution, be it gambling or any other source of revenue, seems to be seized upon with some relief and glee, and the bigger questions, the moral questions, the citizenship questions that rest behind those actions are often not raised.

A writer -- the name of the writer escapes me at the moment -- recently indicated that he would predict that 30 years from now gambling would be under attack. In fact, I think he went on to further state that he thought gambling would be outlawed in some states because there's going to be a reaction to the amount of gambling that's being encouraged and the underworld quickly follows gambling operations. It was an interesting prediction, that we would actually see a backlash against gambling, and it raises the question as to the stability of gambling funds. What happens when you become addicted to gambling funds? What happens when the government starts to depend more and more on gambling funds to finance their operations? What would happen if those funds were suddenly no longer available? I think that the stability of funds is really an important question too.

Those are generally my comments. I just have one further question of the minister. I'm sure there's an explanation, but the

administration costs, I think it was raised by a previous speaker, are \$53 million, which is, if the mathematics are correct, something close to 7 percent of the budget. When school boards are confined to 4 percent of their operations, is that seen as an appropriate number to guide their operations? There are 60 school boards in the province. Why would there be such a seemingly costly administration of the lottery funds? As I said, there's probably a logical explanation, but the two figures seem to be somewhat question raising in terms of the differences.

With those comments, Mr. Chairman, I would conclude my questions about the lottery fund. Thank you.

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

MR. DICKSON: Thanks very much, Mr. Chairman. I hadn't intended on participating because I know a number of my colleagues were keen on speaking.

You know, Mr. Chairman, I'm not sure what it is about this minister. Why is she so provocative when we're dealing with her estimates? You know, I was reviewing *Hansard* the other day, April 15, 1999, page 1055. This is my process observation. I've got some substantive observations I want to make, but this is the process observation. I'll just double check and make sure it's our minister responding. It was about 4:15. This is what she had to say:

It has gone through the business planning process and clearly has been worked into their business plans. You should have debated it when those ministries were here for their business plans. You didn't.

Now, this minister has been here, Mr. Chairman, since we started this multitrack estimate process, and the reality is that if you don't get on the list and have a chance to ask all your questions upstairs and you come down here, there is an excellent chance you will not get a portion of the 20-minute report back. It's an incendiary comment. It's a provocative comment in the extreme for this minister to start chiding members and saying that you should have raised it when you dealt with the specific department. The reality is it's lottery dollars, and it's reported also in the report and the budget of Economic Development. So that advice that the minister offers is neither fair nor accurate advice.

The other item that I didn't see an explanation for in reviewing the outstanding questions last time around. In *Hansard*, page 1059, there was a question about the \$18.2 million that went to debt repayment. The question was specifically asked to the minister: how was it that this seventh category was arrived at, \$18.2 million? My ever sharp colleague for Edmonton-Glenora said: "The 18 million plus dollars that's going towards debt repayment . . . how was it decided that \$18.2 million would be left over?"

Well, I thought that perhaps what the minister might do when she started introducing this evening's round of estimates on lottery estimates would be to follow up on some of those outstanding questions that were asked from before. I thought she might have wanted to share some of that information. She said a moment ago: just phone me; I'm happy to share the information. Well, Madam Minister, through the chair, here were legitimate questions asked on April 15. She hasn't responded to those. Why would we think that a phone call to her office is going to elicit any more forthcoming response than members in this Assembly sought and were entitled to by asking questions last Thursday?

Now, the other thing to say. I think the minister quite unfairly chided my colleague for Edmonton-Riverview just because my colleague was looking for something more comprehensive in terms of a planning document and all we were able to find -- and I'll take responsibility because I was discussing this with my colleague

before -- was pages 99 through 102. If we look in Budget '99: The Right Balance, government and ministry business plans, we see a mission, we see a mandate, we see a skeletal flowchart, we see some performance measurements which are solely dollar driven and some goals and strategies which are as vacuous as "meet operating expense targets" or "facilitate and support the revitalization of the horse racing industry." There's nothing here you can measure. So what we end up with are four pages that the minister may want to pass off as a business plan, but you know, the businesspeople in my constituency look at it and find that it falls far short of what they would use in their respective businesses.

9:20

I know that some of my colleagues had a number of questions they wanted to ask as well, and I certainly don't want to encroach unduly on their time. In fact, I see that they're scribbling additional questions down as we speak, Madam Minister, through the chair. Because I may not get another chance and only because I may not get another chance, I just want to follow up on a couple of other questions that arose from the comments made last Thursday.

The one issue that still hasn't been adequately or satisfactorily addressed had to do with the legislation dealing with VLT machines. Once again this is one of those questions. The Minister of Economic Development says: just get on the phone; give me a phone call and I'll share the information with you. Well, somebody on April 15 asked what happened with the legislation to deal with the removal of VLT machines. I thought she might have addressed that this evening. She chose not to. So what are we to make of the minister's invitation, Mr. Chairman, who says, "If you want to find out anything about my department, you phone me"?

Well, we've done better. We have colleagues that have done their homework. They've done their research. They've come in and they've asked questions. The minister was presumably here and listening. We've got a verbatim *Hansard* record, and the minister comes in and just no effort to respond to those questions.

Now, maybe the minister has done detailed responses to each one of those questions asked last Thursday. If in fact she's done those responses, how are we to know it, Mr. Chairman? I haven't seen the written responses. I would have hoped that the minister would have come through and highlighted each one of those outstanding questions at the commencement of her time this evening. That would have been, I think, particularly helpful. I'd like to sit down because I'd like the minister to stand up and tell us those two things in terms of when we'll see legislation dealing with the removal of VLTs to honour the plebiscite results and specifically what the basis was for determining that \$18.2 million was going to be in the seventh category dealing with debt repayment. Indeed, one might say that if you look at the number of groups that put in good applications to the Calgary lottery board, Mr. Daryl Fridhandler's group, there were lots of people that had meritorious applications that didn't get funding. So one asks: the \$18 million that was directed to debt repayment, is that the very best application of those dollars?

I'm looking forward to those answers. I know the Minister of Community Development shoulder to shoulder with me also wants responses to those kinds of questions. Could both of us get responses to those questions?

Thank you very much, Mr. Chairman.

MRS. NELSON: Mr. Chairman, the hon. Member for Calgary-Buffalo has asked some questions, and I think they're very good questions. If he will reflect on some of the press releases, the Premier has already said that we will respond with legislation to the

question on the VLT issue, and he did also say that we are reviewing the legal implications. We did make a commitment to Albertans that we would honour their wishes, and we are going through lengthy deliberations on how to best deal with that from a legal front. Hopefully, that will be out sooner as opposed to later. I'm very anxious to have the resolution of that issue brought forward, as I hope the hon. member can well imagine.

Again, I'll say for the third time tonight, Mr. Chairman, that if hon. members opposite have specific questions that are . . .

MRS. SLOAN: You're not answering them.

MRS. NELSON: If the hon. member would just pay attention for a minute, Mr. Chairman, it would be easier. This is the third time I've been up and asked hon. members, if they have questions on specific areas, to please direct them to the various ministers that are here, because the various ministries have put forward requests for these lottery dollars to be . . . [interjection] If you'd be quiet and listen, you might hear something. Please.

Mr. Chairman, if hon. members would ask the respective ministries why they have requested lottery funds to support their special requirements for their ministries, they may get detailed answers. The Minister of Economic Development does not determine the allocation of lottery funds to a particular program within that ministry. That is done by that department and by that minister. I am not in a position to make those priority settings in the various ministries the requests come forward from. So if hon. members want specific answers, please direct them to the ministers present. If they are not able to get all the answers tonight, I already made the commitment the last day we were sitting, when the other questions were asked, that I would undertake to get responses back to hon. members.

Now, to the, I feel, almost sarcastic comment by the Member for Calgary-Buffalo as to why I haven't answered those questions, it was only our last day of sitting that another 40 some odd questions came. He has to admit that I did file in this Legislature the questions that were delivered from Edmonton-Rutherford very quickly, the 45 or 47 questions there, and in detail. I think more than one day should be allowed for staff to answer all those questions, and I will undertake to get them back here very quickly. I think it's unfair to my staff to expect them to have one-day turnaround on questions that come from this Assembly. That's not fair. I did not ask them to work all weekend to satisfy your request, but they are working on them this week.

So, Mr. Chairman, if they would direct their questions specifically to the ministers, they may get the detailed answers. Please don't direct them all to the Minister of Economic Development. My job is to administer the lottery fund, period.

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

MR. DICKSON: Thanks, Mr. Chairman. Just further to the minister's responses. Firstly, in terms of the legal issue with respect to the removal of VLTs, how is it we have in the Department of Justice, civil side something in the order of 200 lawyers? Two hundred lawyers. The issue with the plebiscite removal is not a new issue, Madam Minister. Your colleague the Justice minister presumably was involved when the announcement was first made by the Premier however many months or years ago that when there was a plebiscite, the machines would be removed. One would have expected that he would have had a legal opinion in his back pocket and, if not, then his top lawman, the Minister of Justice. If they didn't have it at the time, you would have expected they would have had it in jig time. So how can we be here in the latter part of April and the minister is

saying that this is a complex issue, that we're still wrestling with it? There's nothing amazing or mysterious about this. If the 200 lawyers in the civil section of the Department of Justice can't figure a way out of this conundrum, we're in a lot worse trouble, Madam Minister, than any of us realized beforehand.

The other point. I'm absolutely astonished at what the minister tells us, that the Provincial Treasurer came along and said: I need an amount of money to apply to debt retirement, \$18.2 million. I asked: how is that number calculated? I expected the minister was going to say that there's a process, that her colleagues put in their shopping list. But there has to be some process to decide who gets what, Madam Minister. Otherwise, what the minister is suggesting is that she has both hands tied behind her back and all she is is some kind of clearinghouse. Well, I don't accept that.

9:30

There's only one report, Mr. Chairman. There's only one report that comes forward on this. It's the responsibility of the Department of Economic Development. So for her to tell us that we run around and look to the individual departments to find out why they got as much as they did suggests one of two explanations. The first one is that every ministry got exactly what they asked for and not a penny more, and secondly, that there's absolutely no process that exists to be able to determine, to weigh the different claims. Well, that doesn't make any sense, doesn't make any sense at all, so I'm sure the minister maybe hasn't had adequate time to explain that process. But will she tell us specifically how, when the Provincial Treasurer says he wants a chunk of change for debt pay-down or the Minister of Health wants a chunk of this change for another purpose, this minister decides or how this cabinet decides how that's going to be apportioned? That's still outstanding. That hasn't been addressed.

Thank you very much, Mr. Chairman.

MRS. NELSON: Mr. Chairman, again for the third time this evening and on the last day of sitting, I explained that this process is very, very clear. Now, I would please ask the hon. Chairman to ask hon. members opposite to pay attention. There's a business planning process that goes through all the aspects of the government. Every department, every agency that we deal with, that we report on goes through the same planning process. They go through our standing policy committees to make sure they're in keeping with the overall core programs of the government. They determine priorities. They then are ratified and revamped through the business planning process at our standing policy committees. Then they go through and are reviewed by the Treasury Board.

The Minister of Economic Development does not make these decisions on her own. You have to go through the Treasury Board process and the budget review process. This fund is no different from any other departmental fund. It must go through that process to be ratified to enter into the budget documents.

I wish you would review your budget documents because this information is in the budget documents that were filed by the Provincial Treasurer on Budget Address day. There's no secret. There's no magic to it. It's treated exactly the same way, Mr. Chairman, as all other estimates for departments. These transfers -- it clearly shows that they are transferred over to the various ministries. They must report back through and have listed in their business planning process the performance measures that identify how each element within their control is going to be accounted for in their annual report that is put forward the following year. So there is a path. There is a measurement. There is a trail that you can follow through. These have to be audited. They have to go through all the normal processes of finances for the government.

Insofar, Mr. Chairman, as the issue on the legislative review that is under way, clearly this is a detailed process because in fact there was a court action. While the hon. member opposite as a lawyer sits and shakes his head, I can tell you that not only is there a thorough, thorough review that has taken place by the extremely fine legal staff within Justice, which I will say publicly -- I've been most impressed with their commitment on this -- but also this was a very complex case, and he will just have to stay tuned. We made the commitment that we would be coming forward with something, and you will have to just stay tuned until such time as we do. We would like to get this through as quickly as possible -- that much I can tell you -- and as minister I can tell you that I very much would like this moved forward quickly.

MR. DICKSON: My final question, then, in light of what the minister has just said, and I always appreciate her attempt to be responsive. Who do we ask, then, the question that was asked last Friday? Half of the process the minister has described, Mr. Chairman, is completely extra this Assembly. I'm not privy to the process used by the Conservative caucus to decide how much money is coming from what sources. All I know, Madam Minister, is that when we come into this House and you come in to defend your budget, if you won't tell us or can't tell us how it was that \$18.2 million has been dedicated to debt repayment, who takes responsibility for that? Is it the Provincial Treasurer? Is it the Premier?

We have a budget process that's determined and compartmentalized by departments. Now, it doesn't matter what the other processes are. There are some members in this Assembly that aren't part of that loop, Mr. Chairman, so we have questions that the minister I guess says she can't answer. I think what she's telling us, although she hasn't said it in explicit words, is that she doesn't have any idea how it is that \$18.2 million is the sum that's been assigned to debt repayment. I assume what she's telling us is that the Provincial Treasurer put that on his bid, he put that on his request. So the issue remains: who has the answers to those questions then?

Thank you very much.

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

MS LEBOVICI: Thank you. I, too, would like to ask some questions of the minister with regards to this particular department. Just following, I guess, on what the Member for Calgary-Buffalo was requesting, if you notice, in the '97-98 Auditor General's report recommendation 16 recommended yet again "that the accountability framework for grant expenditures made from the Lottery Fund be improved." This is indeed a recommendation from the Auditor General. It speaks directly to the questions the Official Opposition has been asking with regards to the handing out of lottery dollars to core government programs and the fact that there does not seem to be an accountability framework for those expenditures. So it is not only the Official Opposition that's asking for clarification with regards to this particular area, but also the Auditor General has made that point not only in '97-98 but also in the '96-97 and '95-96 annual reports.

[Dr. Massey in the chair]

There are some questions that I have specifically for the minister as well with regards to gaming and in particular with regards to the Bingo Review Committee and its consultations that are occurring across the province right now. We know that there was some confusion, shall we call it, a few months ago as to whether or not the rules were going to be changed with regards to community groups

and the kinds of activities they could and could not perform around bingos. One of the issues that is of primary importance to these community groups is the issue of bingo dollars, as some groups call it. Other groups talk about the ability to give credit for having worked bingos, and then that credit can be applied towards hockey, soccer, or other expenses that parents might have with regards to placing children within community programs.

I know that groups in my constituency are particularly concerned because if in fact they are going to be forbidden from handing out these bingo dollars, what that may well do is cut into or diminish the number of volunteers they have available to actually work bingos. And as we all know when we go to our community leagues, one of the prime sources of fund-raisers is bingos. So my questions to the minister are: what, in fact, is going to occur? What is the progress that this Bingo Review Committee has made? What are the issues that are still on the table with regard to bingos? What kind of consultation has been taken across the province to ensure that all the concerns of the community groups and other groups that benefit from bingo revenue are considered so that we don't have the kind of situation we had a few months ago, where in fact many groups were very upset at this minister and this government with regards to a decision that was being taken with regards to bingo?

9:40

The other questions that I have with regards to the Bingo Review Committee are: what is the timetable, and what actually is the relationship between the Bingo Review Committee and the bingo association and the community leagues? How do they all fit together? I would appreciate a response to that so I can pass that information on to the community leagues in my constituency, who, I'm sure, if they knew they had the ability to provide input directly to the review committee, might well do so. As yet I've not seen come across my desk any questionnaire or any survey or any notice from the Bingo Review Committee indicating that they are looking for input from the community leagues and charitable organizations and other groups that might in fact want to provide that kind of input.

Another question I have is with regards to gaming specifically in this province. What is the minister's intent on whether craps tables will be part of the gaming that we see going on in the province right now, whether craps will be introduced, much like VLTs were introduced, on a whim almost, as opposed to going to the communities across this province, to the church groups, to the individuals who are very involved with the anti-VLT lobby and asking whether the introduction of craps in this province would be one that would be welcome and what the implications of that would be?

Now, the minister is on record as saying -- and I'm quoting from the April 19 *Edmonton Journal*: Alberta doesn't fit the mold of having government-run casinos, that the structure that we have in this province is a structure that works quite well, but they're looking at working at it with the federal government, and a lot of people have asked for it.

We know that the introduction of craps might well be another cash cow for this government to tap into as more and more of the dollars that are being put towards core government services are dependent on lottery funds. In order to ensure that there is a sufficient amount of lottery funds in the government's budget, they may well have to look at introducing another form of gaming. One of the few forms of gaming that is not within this province right now is craps. We note from these articles that it can be very lucrative to introduce this game into this province. So what are the negotiations, if that is what it is that is happening within this province, with the federal government? I would like some explanation as to what the minister means

when she says that we're looking at it and also to quantify when she says that a lot of people have asked for it. What does a lot of people constitute? Does it constitute 100? Does it constitute 1,000 Albertans? Does it constitute one casino owner? What exactly are the parameters for this province and the guiding principles this province is going to use in deciding whether or not the game of craps will be one that people can play in the casinos that we have in the province right now?

We know that this province, this government is enticed by the lure of easy money. We see it throughout the budget, and we see it in the actions that have been taken with regards to VLTs and the continuance of VLTs in this province, even in those communities where VLTs have been voted to be eliminated yet the government is extremely slow to move, contrary to the promises that the Premier had made with regards to the removal of VLTs.

So as a question to the minister under the lottery fund estimates -- this is a very relevant question: to know whether or not the government will be depending on a new form of gaming to ensure that their budget is balanced. If that is the case, then the opposition believes very strongly that Albertans need to be forewarned, need to be allowed opportunity to ensure that they have input and that hopefully the government and the minister responsible for gaming in this province will in fact do the right thing when it comes to this particular form of gaming and ensure that Albertans have been consulted.

I have another question on page 100 of the '97-98 annual report in the notes, note 9, where it highlights health and the grants that have been made to finance the purchase of highly specialized, state-of-the-art hospital equipment. There's a list of the Capital health authority, the Calgary regional health authority, the Alberta Cancer Board, the Lakeland regional health authority, Northern Lights, and so on. My question is: can we get details of the list of specialized, state-of-the-art hospital equipment that was provided to these various regional health authorities? There's also a figure of \$200,000 with no explanation beside it other than "Other." It would be helpful information to know what exactly that stood for. Just looking at it, it can't be for a provincial program, because we have the provincial programs listed out separately in this list. So I guess the question still remains: what does that stand for in the budget estimates?

We look at Economic Development; page 116 of the business plan I believe it is. It's under the ministry consolidated income statement. The Alberta Motion Picture Development Corporation still stands out in that particular area even though there are no dollars attached to that corporation. I would be interested to know what research has been or is being done by the department to see what the effects are of having deleted funding to the Alberta Motion Picture Development Corporation as it was originally formatted, and as a result of the outcomes of the deletion of those dollars, what if anything is the government's movement towards ensuring that we do start to again see the benefits of the motion picture industry here in Alberta? Now, I do know that under the minister for research and development there may be some benefits coming to that particular industry. I think that in order to ensure accountability within this department, it would be interesting to have a review done of what the industry was like before the cuts, what the industry is like now after the cuts and to see the direct effects of those cutbacks on the industry and on Alberta's economy as a whole.

9:50

When I look through the document here, I don't see much in terms of research that is done within Economic Development to ensure that the ministry is working at its full potential and in fact ensuring that the benefits of having a Ministry of Economic Development are seen

by Albertans throughout this province. I have a question as to whether the minister has ever considered small business as being part of economic development and why in fact we see no mention made of small business. Well, in the lottery fund we probably wouldn't see it, but under her mandate as Economic Development minister, why do we not see that there as well? In fact my questions with regards to the Alberta Motion Picture Development Corporation probably rest more rightly under her Ministry of Economic Development than the lottery fund, but if the minister would answer that question anyway, it would be much appreciated.

I do also have another question for the minister in one of her other capacities, tourism, but if she were to look at questions I presented to the minister of public works, those are questions I would like to see addressed with regards to tourism centres across the province. I may well follow up with a letter to the minister with regards to finding out more information about that.

With those remarks I close my speech.

MR. WICKMAN: Mr. Chairman, just a few concluding remarks from my point of view, three things I want to emphasize from my earlier comments on Thursday. One is that this particular process for the lottery fund where we have two days set aside -- it's ironic that in an area for which so much of the responsibility is delegated to a commission, we still have so much opportunity to get up and ask questions and talk about it in comparison to a lot of the other departments where the process simply does not allow us to do it, where we may have the opportunity to maybe only get three speakers. The process for the lottery fund dollars in terms of this budgeting and such I can't take exception to.

The second point I want to raise is again in the written questions that I sent over to the minister, but I just want to emphasize the importance of this question from our point of view. Mr. Chairman, in the lottery revenue we see a total of \$770 million less an administrative cost of \$53 million. That's an extremely high ratio, \$53 million in proportion to \$770 million. I emphasize again to the minister that I would like to get a breakdown as to exactly where those administrative dollars go. How much is within the department and how much is retained by the Gaming and Liquor Commission?

The last and final area that I want to touch on, Mr. Chairman, is the matter of what's happened with the court decision. We are getting on now towards the end of April. There hasn't been any sign of a bill, a piece of legislation coming forward to address how we're going to correct that problem and allow the government to live up to its commitment. Well, it's impossible now with a seven-day promise. In Wood Buffalo it's gone on for almost 24 months. My suggestion is that the government has to bring forward legislation. They've got to address the question of retroactivity, and I think it can be addressed by allowing for provision within that piece of legislation that would allow a municipality to just pass a resolution without having to go through another plebiscite, without having to go through another petition, whatever. Pass on to the municipalities the power to make that decision on behalf of those municipalities that want the VLTs removed from their municipalities, because the majority of their residents have already indicated that they want them removed. So that is very, very important.

When is that legislation going to come forward? I would hope that there is not some intentional stalling going on.

MRS. NELSON: None.

MR. WICKMAN: I would hope not. I would certainly hope not. But, you know, after the Premier broke that seven-day commitment, I've been a little skeptical of promises that are made, sort of like broken promises.

Nevertheless, on that note, Mr. Chairman, I'm going to conclude my remarks on the lottery funding.

THE ACTING CHAIRMAN: Are there further questions? Does the hon. minister have any concluding comments?

After considering the lottery fund estimates, are you ready for the vote?

HON. MEMBERS: Agreed.

THE ACTING CHAIRMAN: Opposed?

Agreed to:

Community and Municipal Development Initiatives	\$226,374,000
Agriculture and Economic Initiatives	\$189,551,000
Education Initiatives	\$154,629,000
Health Initiatives	\$87,300,000
Scientific and Energy Initiatives	\$40,450,000
Lottery Fund Administration Payment	\$53,000,000
Lottery Fund Transfer to Treasury for Debt Repayment/Contingency Reserve	\$18,196,000
Total Lottery Fund Payments	\$769,500,000

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

SOME HON. MEMBERS: Agreed.

THE ACTING CHAIRMAN: Opposed?

SOME HON. MEMBERS: No.

THE ACTING CHAIRMAN: Carried.

The hon. Deputy Government House Leader.

MR. HAVELOCK: You look wonderful in that seat.

I'd like to move that the committee do now rise and report.

[Motion carried]

[The Deputy Speaker in the chair]

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

10:00

DR. MASSEY: Thank you, Mr. Speaker. The Committee of Supply has had under consideration certain resolutions of the lottery fund

estimates for the fiscal year ending March 31, 2000, reports the approval of the following estimates, and requests leave to sit again.

Community and municipal development initiatives, \$226,374,000; agricultural and economic initiatives, \$189,551,000; education initiatives, \$154,629,000; health initiatives, \$87,300,000; scientific and energy initiatives, \$40,450,000; lottery fund administration payment, \$53,000,000; lottery fund transfer to Treasury for debt repayment/contingency reserve, \$18,196,000.

Total lottery fund payments: \$769,500,000.

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

HON. MEMBERS: Agreed.

THE DEPUTY SPEAKER: Opposed? So ordered.

MR. DAY: Mr. Speaker, I would request unanimous consent to revert to Introduction of Bills.

THE DEPUTY SPEAKER: The hon. Provincial Treasurer has requested unanimous consent for the Assembly to revert to the Introduction of Bills. All those in support of this motion, please say aye.

HON. MEMBERS: Aye.

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

head: Introduction of Bills

Bill 33

Appropriation Act, 1999

MR. DAY: Mr. Speaker, I beg leave to introduce Bill 33, the Appropriation Act, 1999. This being a money bill, His Honour the Honourable the Lieutenant Governor, having been informed of the contents of the bill, recommends the same to the Assembly.

Mr. Speaker, this is the act which, of course, will grant and appropriate the dollars to the government to in fact cause all the services to be delivered for the year across the province. We look forward to discussion of this bill and also, in particular, to what I find to be an exciting portion, which refers to the lottery fund debt repayment/contingency reserve, an allotment of some \$18 million which will go to that particular portion.

I would move that for first reading.

[Leave granted; Bill 33 read a first time]

[At 10:03 p.m. the Assembly adjourned to Tuesday at 1:30 p.m.]