

Legislative Assembly of Alberta

Title: **Thursday, May 9, 2002**

1:30 p.m.

Date: 02/05/09

[The Speaker in the chair]

head: **Prayers**

THE SPEAKER: Good afternoon and welcome.

Let us pray. Our divine Father, as we conclude for this week our work in this Assembly, we renew our thanks and ask that we may continue our work under Your guidance. Amen.

Please be seated.

head: **Introduction of Guests**

THE SPEAKER: The hon. Member for Wetaskiwin-Camrose.

MR. JOHNSON: Thank you, Mr. Speaker. I'm pleased and honoured to introduce to you and through you to the members of the Assembly Mr. Walter McNary of Camrose, who is seated in your gallery. Mr. McNary was a part of the department of agriculture for many years in this province and is responsible for many programs which continue today. Mr. McNary is a pioneer in the agriculture industry and was involved with the 4-H program where he started the public-speaking component of the program in the late '50s. He is also the founder of the farm green certificate training program, which has served our province so well for so many years. Later on I will be giving a member's statement on the green certificate program.

Accompanying Mr. McNary is his wife, Myrtle, and Doug Taylor, who was Mr. McNary's first employee in the department of agriculture under Hugh Horner in the early '70s, and he continues to work in the department on the green certificate program.

I would like to ask Mr. McNary and Myrtle and Mr. Taylor to rise and receive the warm welcome of the Assembly.

THE SPEAKER: The hon. Member for Vermilion-Lloydminster.

MR. SNELGROVE: Thank you, Mr. Speaker. It's indeed a pleasure to rise today and introduce to you and through you to the members of the Assembly a very special couple from my hometown of Vermilion. Mr. Walter Scott has been involved with the department of agriculture for many years, too, and was instrumental in working with the green program. Mrs. Jan Scott has just recently retired from the Vermilion health care complex in Vermilion and was instrumental in keeping the reputation of Vermilion as providing the best patient care in Alberta. I say that in all truth, and everyone in Vermilion knows that. They are also, incidentally, the very proud parents of Canada's Olympic – and I'm sure it will be announced soon – silver medalist, Ms Beckie Scott. So it's with extreme pride that I introduce them to you and through you to the people today. I would ask them to rise and please accept the warm welcome of this Assembly.

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

MS GRAHAM: Thank you. I'm pleased this afternoon to introduce to you and to members of the Assembly a young constituent of mine from Calgary-Lougheed, Ms Roseanne Warren, who is seated in the Speaker's gallery. Roseanne is a grade 10 student at Western Canada high school in Calgary, where she is enrolled in the full IB program. She's a well-rounded student, participates in many athletic activities, and is also completing her grade 10 in piano. She is considering a career in law, hopefully followed by politics. She was

very enthusiastically looking forward to participating in Mr. Speaker's Youth Parliament this year until it unfortunately had to be canceled, but we have arranged for her to be here today to tour the building. Thank you, Mr. Speaker, for the meeting with you and for the picture with you, and she will be joining us for question period. I'd now ask Roseanne to rise in the Speaker's gallery and be recognized by the Assembly.

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

MR. HORNER: Thank you, Mr. Speaker. On behalf of myself and the hon. Member for St. Albert it's my pleasure to introduce to you and through you today to all members of the House six guests from St. Albert and Edmonton who are seated in your gallery. These were guests of mine and the hon. Member for St. Albert for lunch today. The group contributed a substantial amount to the St. Albert Rotary auction earlier this year to be with us today. We had a wonderful lunch and a great discussion at noon as well as a tour of the Lieutenant Governor's office and your office, Mr. Speaker. They are Lauren Robertson, Jeri-Lynn Robertson, Mike O'Dell, Charlane O'Dell, Cal Malhiot, and Don Milligan. I would ask that they rise and receive the traditional warm welcome of this House.

THE SPEAKER: The hon. Member for Medicine Hat.

MR. RENNER: Well, thank you very much. You know, it's a true sign of spring around this place when buses full of children from Medicine Hat start making the six-hour trek from southeastern Alberta to visit us in the Legislature. I have a group of such students to introduce this afternoon, but, Mr. Speaker, with your indulgence I would also like to mention that this morning I had another group from Medicine Hat, who unfortunately were not able to join us for question period. I would like to acknowledge that 26 students and I think around eight parent helpers from St. Louis school in Medicine Hat, accompanied by their teacher Mr. Buday, toured the Legislature this morning. Unfortunately timetables necessitated that they be other places this afternoon, but I'd like to acknowledge them, and I look forward to visiting them as soon as the photographs that we took this morning are completed.

This afternoon, Mr. Speaker, through you I would like to introduce to all Members of the Legislative Assembly a group of 90 students who, as I mentioned, have joined us from Crestwood school in Medicine Hat. They are accompanied by a number of parents and teachers. I'd like to identify their principal, Mr. David George; the vice-principal, Mr. Mark Traber; teachers Mrs. Karen Shaw, Mrs. Kathy Western, Mrs. Jackie Sehn, Mr. Wade Lawson, Mr. Gary Ziel; as well as parent helpers Mr. Barry Bitz, Ms Deb Kopp, Mrs. Barb Klein, Mr. Bruce Hill, and Mrs. Edith Heim. They are seated in both galleries, the members' gallery and the public gallery. I would ask them to rise and receive the traditional warm welcome from all members of the House.

MRS. GORDON: Mr. Speaker, it gives me a great deal of pleasure today to rise and introduce to you and through you to members of this Assembly a number of guests from the Multiple Sclerosis Society of Canada, Alberta division. May is Multiple Sclerosis Awareness Month in Canada, and the carnations placed on your desks today are representative of one of the society's major fund-raisers, their annual Carnation Day. Over the next few weeks other fund-raisers are also planned in many of our communities across Alberta: the MS bike tours as well as the MS Super Cities walking tours. Our hon. minister of health earlier today agreed to bike on

behalf of MS. I encourage all to participate. Help us raise much-needed dollars for ongoing MS research. Seated in the public gallery are Ms Joyce Kropiniski, board member; Ms Kim Dowie, board member; Mr. David Johnston, president; Mr. Jim Robinson, vice-president; Mr. Kim Cassady, manager, social action; and Ms Heidi Erisman, the new executive director of the Edmonton chapter. I would ask that they rise and receive the traditional warm welcome of the Assembly.

THE SPEAKER: The hon. Deputy Premier.

MRS. McCLELLAN: Thank you, Mr. Speaker. Today we have a very special guest in your gallery, Linda Chupka. Linda is a longtime employee of Alberta Agriculture. She's presently the executive assistant to my deputy minister, but today Linda is here to observe the work of one that she is very proud of, and that is her son Craig Chupka, who is one of the pages in the Assembly. I ask you, Linda, to please rise, and could we extend Linda the very, very warm welcome of this Assembly.

THE SPEAKER: The hon. Minister of Justice and Attorney General.

MR. HANCOCK: Well, thank you, Mr. Speaker. It is my pleasure today to introduce to you and through you to members of this Assembly 12 elementary school students and their parents – Anita Labreche, Greg and Pamela Galan, and Claudia Shaw – from the Brookside home school in my constituency of Edmonton-Whitemud. They're of course here today to observe and learn with keen interest about our government. They're seated in the members' gallery, and I'd ask that they please rise and receive the warm welcome of the members.

1:40

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

MS KRYCZKA: Thank you, Mr. Speaker. Today I'm very proud to introduce to you and through you to members of this Assembly two constituents of mine from Calgary-West. Jerry Lehoux has been in Edmonton for a SCNA conference, SCNA being Scholarship Consultants of North America. Jerry is involved in the administration and distribution of USC education savings plans, which are really RESPs. Brenda Wood is the founder and now executive director of the very successful and ever growing Friends of Seniors Foundation, a program in Calgary which won a minister's seniors service award in 2001. I would ask Jerry and Brenda, who are in the members' gallery, to please rise and receive the traditional warm welcome of this Assembly.

head: **Oral Question Period**

THE SPEAKER: First Official Opposition main question. The hon. Leader of the Official Opposition.

Holy Cross Hospital

DR. NICOL: Thank you, Mr. Speaker. The Premier has referred in recent days to the work of the Holy Cross disposition committee and has indicated his confidence in its proceedings. Documents obtained by us show that the disposition committee originally planned to reject the bid from Enterprise Universal. Within days, however, this decision was reversed, the letter was revised by the CRHA CEO, and Enterprise Universal was invited to resubmit. It's clear that the disposition committee was not arm's length in its decision-making. My questions are to the Premier. Was the Premier ever contacted by

the backers of the Enterprise Universal bid concerning the purchase of the Holy Cross?

MR. KLEIN: Mr. Speaker, perhaps I was. I would like to know who Enterprise Universal Inc. or company is.

DR. NICOL: The people who bought the Holy Cross.

My second question, Mr. Speaker, is: was the Premier ever made aware that the Holy Cross was appraised at up to \$20.6 million?

MR. KLEIN: According to my information there were a number of appraisals based on the best and possible use, and according to the note that was provided to me, there was an upside value if the property was to be zoned to its highest possible use and if indeed there was a buyer who wanted to buy the property at that particular price. But as I understand it, Mr. Speaker, there were some complications associated with this particular site in terms of demolishing the hospital, the removal of the asbestos, and so on, the environmental cleanup, and to the best of my knowledge no developer wanted to go to the expense to undertake that very expensive cleanup. Therefore, the disposition committee accepted what they deemed to be the best offer.

In answer to the hon. member's first question, if he's alluding to the Huang brothers – Peter, Ian, and John – as the proprietors, or the owners, of that particular company, yes, they did approach me, and I indicated to them that a disposition committee would be struck to make a proper adjudication of this.

THE SPEAKER: The hon. leader.

DR. NICOL: Thank you, Mr. Speaker. Again to the Premier: given that cabinet approval was necessary for the sale of the Holy Cross, were any supporting documents or copies of appraisals provided either to the Premier or Executive Council before the approval?

MR. KLEIN: Mr. Speaker, I can't recall if formally any particular documents were provided to me or any other members of cabinet. Perhaps the then Minister of Infrastructure or public works – I forget what it was called at that particular time – might have received some documents. Clearly, one of the proponents visited me – I believe it was in Calgary – to outline what their proposal was, and I indicated to them that this would be a subject for adjudication by the disposition committee.

THE SPEAKER: Second Official Opposition main question. The hon. Leader of the Official Opposition.

DR. NICOL: Thank you, Mr. Speaker. We have a hospital sold shortly after \$20 million was spent on renovations. We have a disqualified bidder allowed back into the process who wins the bid and then is allowed terms unavailable to any other bidder, and it turns out that the leader of that bid was a senior official of the Calgary health region. We have a hospital on 8.6 acres of prime land in the hottest real estate market in Canada being sold for one-quarter of its appraised value. My questions are to the Premier. Does the Premier consider it acceptable practice to have a public tendering process in which bid conditions are changed for one bidder and not for the others?

MR. KLEIN: Mr. Speaker, again this is going back many, many years. I would remind the hon. Leader of the Official Opposition that the sale was managed by a disposition committee made up of city councillors, clergy, community leaders, and RHA reps. Their

stated preference, as I understand it, was to have the site be sold to someone who would use it for health-related services. As I understand it, this was advertised nationally, not just locally but nationally, and of the three offers received, the committee accepted the highest offer. While the Liberals may think that the price should be higher, there's an old rule in real estate that the value of a piece of property is what people are willing to pay for it. For that site the RHA received the most that people were willing to pay. The fact is that in that facility there now are a multitude of health services, including I believe it's some 40 long-term care beds, a pain management clinic, several eye doctors, psychiatric services, and others. I simply don't know what the Liberals are driving at.

THE SPEAKER: The hon. leader.

DR. NICOL: Thank you, Mr. Speaker. Given that the government is prepared to sell our public hospitals and has cited the Holy Cross as an example of how it should be done, will the Premier freeze the sale of all health facilities in this province until a full investigation into the irregularities of the Holy Cross sale is completed?

MR. KLEIN: Mr. Speaker, there are no irregularities, and to suggest that there were is I believe an insult to the good-thinking people and the community-minded people who served on the disposition committee. What he is suggesting is that they brought about some irregularities, that what they did was in some way underhanded, and that is wrong. He's talking about people the likes of former Bishop O'Byrne. He's talking about a Member of this Legislative Assembly, the hon. Member for Calgary-Currie, who was then a well-respected member of Calgary city council, and a lot of other people, community leaders and so on. You know, I have to stand up and stick up for these people. They're good, solid citizens who did the best possible job.

THE SPEAKER: The hon. leader.

DR. NICOL: Thank you, Mr. Speaker. To the Premier: given all the irregularities, will the Premier call for a judicial inquiry into the sale of the Holy Cross, where we can subpoena witnesses and have the truth come out?

MR. KLEIN: Mr. Speaker, why? You know, this is six years old. We want to get on with the future. I mean, this sale took place a long, long time ago. To my knowledge it was a perfectly normal sale under the circumstances of the day, and it was properly adjudicated by a disposition committee.

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

DR. TAFT: Thank you, Mr. Speaker. Yesterday the Official Opposition tabled a memo from then Minister of Health Jonson to the Premier and Executive Council. We obtained the memo through FOIP, and it contains a FOIP index number and an action request number. To the Premier: can the Premier explain why the memo states that, quote, the Calgary regional health authority board entered into negotiations with Enterprise Universal in September 1996, end quote, when requests for proposals to sell the facility had not even been sent out then?

1:50

MR. KLEIN: Mr. Speaker, first of all, the Liberal opposition tabled this. I received a note of apology, and I understand that the hon.

member did apologize to the House for saying that it had been delivered to my office when in fact it hadn't been, but there's nothing untoward about this. This is a copy that is attached to the original, and I have the original in front of me. To answer my question, it says:

Following independent appraisals the property was listed at \$4.9M for over a year. There have been limited enquiries, mostly at the \$2M range. In September 1996, the Board entered into negotiations with Enterprise Universal Inc. which have resulted in an agreement under which Enterprise Universal Inc. will purchase the property for \$4.575M. This offer appears to be the best purchase price currently available and represents fair market value. The sale would also eliminate the reported annual expenditure of \$1M by the RHA to maintain the safety and security of the property.

I assume that that took place following the recommendation to the RHA by the disposition committee. There's no reference to that here in the memo. I don't have all the correspondence on it, but I hardly think it's worth the time and effort that the Liberals are spending on this particular issue unless they want to come clean and tell the Legislature and the public what they're after.

DR. TAFT: Given that we're not going to get offers on a property if we don't ask the full value of it and given that every appraisal available valued the property at well above \$4.9 million, can the Premier explain why the memo he refers to indicates that the property was listed on the market at \$4.9 million, well below appraised value?

MR. KLEIN: Mr. Speaker, I have no idea, and I'm just making some assumptions here, because, as I say, this matter is over six years old. It says:

The Agreement [also] has been reviewed with respect to the Provincial Policy on the Sale of Property Owned by Health Authorities and found to be compliant with the Policy. The Agreement requires the purchaser to agree that the property will not be used to provide private hospital or acute care inpatient health services.

That should be good news to the Liberals. "However, it does not preclude the use of the facilities to provide outpatient, day surgical services or supportive long term care programs" – and that's exactly what the site is being used for – "in compliance with existing legislation." As far as I know, everything is in compliance with the existing legislation. "The purchaser is proposing to use the property to deliver post-secondary education services," not bad, "residential development" – I guess maybe there's something around there; I don't know – "and a variety of complementary health services," which I do know are being provided. What is the problem here?

DR. TAFT: Well, given his quotes here today and given that government policy on the sale of property owned by RHAs, which we tabled in the Legislature yesterday, clearly states that property being sold should not be needed for future health care delivery, why does this memo as he just quoted it substantially contradict that policy? Is policy just made on a whim here?

MR. KLEIN: Mr. Speaker, it does not contradict or violate in any way the policy. It says that it can't be used for acute care. It can't be used for a hospital, a private hospital. It accommodates a number of clinical applications, and that's perfectly permissible under the Health Care Protection Act.

THE SPEAKER: Hon. the Premier, it would be helpful, too, if that memo would be tabled in the Assembly at the appropriate time if it hasn't already been.

MR. KLEIN: I'll be happy to table it. I'll have those copies. That was the original, not the stuff they tried to table yesterday.

THE SPEAKER: At the appropriate time we'll have the right thing. A point of order?

MS CARLSON: A point of order.

THE SPEAKER: Okay. We'll deal with it later as well. The hon. Member for Edmonton-Highlands.

U.S. Agricultural Subsidies

MR. MASON: Thanks very much, Mr. Speaker. Tomorrow in Regina there's a key meeting to chart a plan to protect prairie farmers from the protectionist U.S. farm bill. Every Premier and every leader of the opposition from the three prairie provinces will be there except the Premier of Alberta. The Alberta government's silence on this issue is deafening. My question is to the Premier. Why is the Premier refusing to attend this crucial farm summit tomorrow in Regina?

MR. KLEIN: Mr. Speaker, first of all, I'm unable to attend tomorrow's meeting because of prior commitments that I have in Calgary. I am meeting with senior energy officials in Calgary to receive a briefing that is essential to my upcoming mission to London and Ukraine. I explained this to Premier Calvert on the telephone, and he understands. He's fine with it. I don't know; if he's fine with it, why isn't the hon. member? The Deputy Premier, who's also the minister of agriculture and our rural lieutenant, will be at the meeting. Alberta producers, farmers can be confident that their concerns will be addressed.

Now, I've had two substantive phone calls with Premier Calvert. He has offered to lead the western provinces' response to the U.S. farm bill matter, and I've indicated to him that Alberta supports his leadership role and that we will co-operate in the development of a joint plan of action. What that plan of action at this particular time might be, I don't know, but as the Deputy Premier said yesterday, the Alberta response to this important matter can't be judged by who's first up to the mike or by how many news releases are issued and that it can sometimes be more of a public relations exercise than it is substantive action.

We are working with other provinces. We'll continue to work with other provinces and the federal government on a thorough evaluation of the U.S. legislation and its potential impact on farmers, and once that evaluation is completed, this province will participate in a joint plan of action. We also have to be careful – and I think the minister emphasized this – that any aid programs, whether federal or provincial, don't simply spark a subsidy war that would end up hurting the agriculture industries in both countries.

THE SPEAKER: The hon. member.

MR. MASON: Thank you, Mr. Speaker. How many people will lose their farms while this government is getting its act together?

Given that the Premiers of Saskatchewan and Manitoba . . .

THE SPEAKER: Hon. member, please. I heard a question.

MRS. McCLELLAN: Mr. Speaker, I'll be happy to assist the hon. member with that question. This government has put in place, far ahead of the other provinces, programs that would ensure the sustainability of Alberta farms. I would remind the hon. member

that while the other areas were having discussions, maybe some press releases, maybe the odd news conference, this government put a disaster assistance program in place. Some years later others joined, including the federal government. I would also remind the hon. member that this province has the best safety net program of any province in Canada for its producers. If you want to look at the viability of farms in this province, I will undertake to get for the hon. member the sales of land and values of land in the two provinces that he is referring to, and then he could draw his own conclusion as to which farmers are best supported by their government on a long-term basis.

MR. MASON: Mr. Speaker, why does the Premier put a priority on a briefing about things in Ukraine ahead of fighting for the interests of Alberta farmers? Why isn't he leading the Alberta delegation to Regina?

MR. KLEIN: Mr. Speaker, I have the greatest confidence in the Deputy Premier, and so do Albertans. Secondly, this hon. minister knows more about agriculture than that member would ever hope to know about farming. When this hon. member falsely and maliciously talks about people losing their farms, he's talking about this hon. member, who is a farm woman. Her livelihood is at stake, as are the livelihoods of many members of this caucus who also depend on farming to support their families, unlike this hon. member, who, you know, has been stuck in the city for so long that he has no understanding of what farming is all about.

2:00

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

MR. McFARLAND: Thank you, Mr. Speaker. My questions today coincidentally still deal with something called a U.S. farm bill, and I hope our minister of agriculture will accept a question from a real farmer, not somebody who is born again. Along with many rural constituents of mine who are full-time professional farmers and don't totally understand things like the U.S. farm bill, I want the question directed to the minister to be worded this way. Minister, we understand that the President of the United States has not yet signed this bill, but at the same time what is the exact status of the bill? What inference does it have to my farmers, to me, and to the others of us in this Assembly that do farm?

MRS. McCLELLAN: Mr. Speaker, as I understand, the process with the farm bill was ratified by the Senate last evening in fact, and it is expected that it would be signed off by the President sometime in the next two weeks. That's the legislative process of this bill.

Mr. Speaker, what does it mean for farmers? Well, you know, it's interesting. The actual amounts of dollars in this bill are not much different than what were paid out last year, contrary to what you would think by reports. What it does is take the baseline of support for U.S. agriculture and adds the onetime payments or ad hoc payments into the base and carries them out over six years, so in fact it would appear at first blush that it may be even slightly less in actual dollars. However, the breadth of this bill is what is of concern. This bill doesn't just cover payments to producers. It covers things like export credits. It covers conservation, environment. It covers food aid and many things like that. So the complexity of this bill is what makes it somewhat difficult to do a very quick analysis and a very quick response. We want to take the time to have that in-depth analysis and make sure that the response that we have, whatever it is, is meaningful to our producers.

THE SPEAKER: The hon. member.

MR. McFARLAND: Thank you, Mr. Speaker. I hope I'm not in a conflict of interest for asking the question.

Particularly with respect to cereal producers and pulse growers what impact will this proposed bill have on those particular producers?

MRS. McCLELLAN: Mr. Speaker, certainly it locks in the subsidy levels on grains and oilseeds, and as I indicated yesterday in the House, what is even more bitterly disappointing to us is that it also draws in this year pulse crops, a growing opportunity and expanding crop in this province. So despite the fact that we've been dealing with subsidies on wheat, oilseeds, and other grains, this is added to it as well. Those subsidy levels are there in the bill. They're locked in for a period of time, and of course it takes away the competitive advantage that the efficient farmers in our province have. Very difficult for farmers in Canada to compete against treasuries of countries like the U.S. and the European Union.

THE SPEAKER: The hon. member.

MR. McFARLAND: Thank you, Mr. Speaker. A final question: should this bill prove a financial hardship on Alberta farmers, what programs do you contemplate or what programs are available to assist our producers here in Alberta?

MRS. McCLELLAN: Mr. Speaker, there's no question that there is a comprehensive set of safety nets in this province and in many areas in Canada. First of all, the farm income disaster program, which has been mentioned, does deal with loss of income and responds only on a disaster basis, so if you have a continual set of low prices, that obviously isn't the answer. The second thing that is available is the NISA program, of which there are significant accounts, and that can be drawn on by producers in times of low payments. The other program though, that is I think more apt to respond to this and could respond to it in the long term, is your safety net program in crop insurance. Crop insurance prices are set with an anticipation of what the initial world price will be. You take your production risk into account. There is some cost of production factored into that, and if you have a crop failure or a shortfall, you can draw on that program.

Mr. Speaker, I want to take less than a minute to say that we have been working with the two prairie provinces over the past year to try and include in that safety net program a revenue component. Indeed, had that been put in place for this crop year, we probably wouldn't be having this conversation today to this degree. Unfortunately, they weren't able to come to the table with that program.

THE SPEAKER: The hon. Member for Edmonton-Gold Bar, followed by the hon. Member for Calgary-Bow.

Electricity Pricing

MR. MacDONALD: Thank you, Mr. Speaker. Many Albertans are real angry at this government because of real high electricity prices. This has been caused by the electricity deregulation scheme that was proposed by this government. Now, a recent Power Pool Council report determined that through a practice known as the silver bullet, the Power Pool Council in Alberta is concerned about price manipulation at the Power Pool. My first question is to the Premier. What steps is the Premier taking to avoid this silver bullet, which did not exist before the government moved to a marginal pricing system?

MR. KLEIN: Well, that's a real interesting question. Mr. Speaker,

I have no idea what a silver bullet is, you know, other than the Lone Ranger. I don't know. Perhaps the hon. member can explain what this silver bullet is all about.

THE SPEAKER: The hon. member.

MR. MacDONALD: Thank you, Mr. Speaker. Again to the Premier: what is the additional cost of surveying the bidding process for the Power Pool considering the new incentives for pricing manipulation that come with your now ideologically defunct electricity deregulation scheme?

MR. KLEIN: Well, deregulation certainly is not defunct, Mr. Speaker. It is alive and well and providing the environment for more competition. We see more power coming on almost on a daily basis, and over a period of time it will provide a competitive climate, which should result in a downward pressure on prices. So deregulation is hardly defunct. It's alive and well. There are a few bumps along the road. One of them is due to service charges connected with electricity bills, and both the ministers of Energy and Government Services are looking into this matter. I understand they'll be meeting with the power companies tomorrow. They've already met with the Alberta Energy and Utilities Board, and hopefully we'll get this ironed out. But on the whole prices are not on average abnormally high. They are high in some areas but not on average and throughout the province.

2:10

THE SPEAKER: The hon. member.

MR. MacDONALD: Mr. Speaker, thank you. Again to the Premier: will the Premier please commit to tabling in this Assembly on Monday the Cap Gemini report on billing practices and the London economic study on the electricity industry overhaul and overview in Alberta, to provide full transparency and accountability for the practices in this province before there's a backbench revolt in his own caucus because of high government involvement in the electricity industry?

MR. KLEIN: Mr. Speaker, there is, needless to say, not a backbench revolt in this caucus. As a matter of fact, the MLAs who have constituents who have been affected by high service charges connected to power bills have been very diligent in bringing these concerns to caucus, and it's a result of those concerns being expressed in a straightforward, forthright manner that the appropriate investigation was undertaken by both the ministers of Energy and Government Services.

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

Energy Research Strategy

MS DeLONG: Thank you, Mr. Speaker. Many of my constituents are concerned about climate change, and some of them are grappling with whether Canada should sign the Kyoto protocol. We've recently been hearing something new about an energy research strategy. My question is for the Minister of Innovation and Science. Can the minister tell us what it is about and how it was developed?

MR. DOERKSEN: Mr. Speaker, indeed innovation and research is a critical component in Alberta's approach to climate change. Before I outline some of the key principles in the energy strategy, I would encourage all members to check out the Alberta Energy

Research Institute web site on the worldwide web at aeri.ab.ca or gov.ab.ca, and you can find the entire strategy.

The ultimate goal of innovation and research in our province is to make sure we extract value from our vast resources of coal and oil sands while maintaining our commitment to the environment. Mr. Speaker, there are five primary goals that the Energy Research Institute has set out. The first one relates to using our high-grade, low-sulphur, clean coal in the production of energy. We're also looking at upgrading technology, the management of carbon dioxide, or CO₂, which is one of the climate-change components, improved oil production, and looking at fuel cells and our hydrogen economy. The whole research strategy is a fundamental part of Alberta's approach to climate change.

THE SPEAKER: The hon. member.

MS DeLONG: Thank you. My first supplemental is to the same minister. How will this research institute strategy help us develop our made-in-Alberta approach to climate change?

MR. DOERKSEN: In fact, Mr. Speaker, the Minister of Environment is developing an Alberta approach to the Kyoto alternative in conjunction with the Ministry of Innovation and Science, the Minister of Energy, and in fact all of our colleagues. The Prime Minister is starting to agree with the Alberta position that we need to obtain credit for our clean energy exports, and in our relentless pursuit of excellence towards zero emissions in coal production, we expect that we will obtain clean energy credits for our coal energy production as well.

THE SPEAKER: The hon. member.

MS DeLONG: Thank you, Mr. Speaker. To the same minister: can the minister tell us how this strategy will benefit the province?

MR. DOERKSEN: Mr. Speaker, the Alberta Energy Research Institute, which of course is capably co-chaired by our colleague from Bonnyville-Cold Lake, took over from where the Alberta Oil Sands Technology and Research Authority, commonly known as AOSTRA, left off. We have seen the results of that research in the past over a great length of time paying us huge dividends with respect to jobs and royalties in our oil sands production. Furthermore, we can take the technology that we develop and actually adapt it to other areas, and I'll use a very small example. The coating that we use in pipelines to prevent pipeline corrosion has been adapted to be used inside of soup cans to prevent the soup cans from corroding. As we use technology in one area, we can adapt that into other areas and export the knowledge that we have in Alberta. So things are very positive from a value-added point of view in our province.

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

Community Lottery Boards

MS BLAKEMAN: Thank you, Mr. Speaker. The Minister of Gaming has said that the decision to cut the community lottery boards was for financial reasons, and yesterday in the appropriation debate the Member for Airdrie-Rocky View confirmed that the entire government caucus participated in this decision. My questions today are to the Premier. If it was a financial decision to cut the \$50 million community lottery board program, where was the new money

to come from for this modified program that the Minister of Gaming has lately made reference to?

MR. KLEIN: Mr. Speaker, we always said that we would try to find a way to enhance CFEP, and that is being worked on right now. The details certainly haven't been announced, but we want to be able to come up with a program that is available for those who truly need help and for those organizations that fall through the cracks.

THE SPEAKER: The hon. member.

MS BLAKEMAN: Thank you, Mr. Speaker. Well, given that the only budget increase for the existing lottery programs or foundations was a \$2.5 million increase for CFEP, how is the \$50 million cut going to be addressed? In other words, which other groups now getting grants from the existing lottery foundations are going to get dumped so you can give the money to the community lottery board applicants?

MR. KLEIN: Mr. Speaker, it's all speculation on the hon. member's part at this particular time. There are ways of moving dollars around within program budgets, and money can be moved around to provide for those organizations that truly need the money. There is an assumption on the hon. member's part that it's going to be \$50 million. Well, we don't know. We do know through our assessment of the community lottery board program that about 60 percent, I believe it was, of the programs were receiving funding from other lottery programs as well as from community lottery boards, so that leads one to speculate and to wonder whether \$50 million is in fact the right figure. So we're working on this. It's going to involve some shuffling, but it's also going to involve the identification of some priorities relative to community services that really are needed in the community.

If the hon. Minister of Gaming wishes to comment further, I'll have him respond.

MR. STEVENS: Thank you very much, Mr. Speaker. We've been taking a look at the community lottery board program in the past year, and I think there are some very interesting statistics that come out of it. One of the things that we've said is that we want to address those smaller applicants who did receive funds and who were falling between the cracks. What I can tell you, for example, is that applicants who received under \$50,000 comprise some 95 percent of the applicants who received funds from community lottery boards, making up 62 percent of the money that was allocated. If we take a look at those who received \$25,000 or less, that made up 87 percent of the applicants, who received about 41 percent of the funds. So what that indicates is that that particular program was very, very good for small applicants, and I think that's one of the things that we have to address as we work through this particular issue.

2:20

THE SPEAKER: The hon. member.

MS BLAKEMAN: Thank you very much, Mr. Speaker. Will groups such as the Carstairs library or the skating and gymnastics clubs that were previously funded by Community Lottery Board No. 66 in Kneehill county be deemed worthy and needy under this new criteria for this new program?

MR. STEVENS: One of the things that we're looking at again is identification of where the funds went to, Mr. Speaker. There were about 10 different categories that the community lottery boards dealt

with. They had community services, sport, recreation, parks, environment, culture, social services, health, libraries, and education, and there was widespread funding throughout each of those areas. I think it's fair to say that as we review this particular issue, we're going to be mindful of those groups that do not have access to existing granting programs, and that is one of the things that we're going to look at very carefully. It may well be that the two groups that you refer to fall into that category, and we will take them into account as we work through this issue.

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

Enoch First Nation Development

MR. MASKELL: Mr. Speaker, I understand that the proposed Enoch destination development would be a significant development and would be built on the corner of Winterburn Road and 79th Avenue. These are both city of Edmonton roads. With a development of this magnitude there'll be a huge increase of stress on a pair of already heavily overloaded roads. In fact, at the moment they are country lanes. These roads need to be replaced by roads of freeway standard. The plan is already in place to extend the Whitemud Freeway to highway 60. I am sure that the city of Edmonton and the Enoch First Nation have already approached the Minister of Transportation about the roads. The Edmonton-Meadowlark constituents and the community of Lewis Estates are outraged by this proposed development happening at all. My first question is to the Minister of Transportation. Who is going to be responsible for the cost of these roads, and what is the schedule for construction?

THE SPEAKER: The hon. minister.

MR. STELMACH: Thank you, Mr. Speaker. The Public Highways Development Act only applies to those roads and land that are adjacent to a provincial highway network system. As put by the hon. member, the roads in question are not adjacent to any provincial highways, so as a result the roads are the responsibility of the municipality. The current location proposed by the developers is 79th Avenue about four kilometres east of highway 60. I will say that even though the development is not adjacent to a highway, we are interested, though, as to how this development, given the amount of traffic that it will generate, will affect the roads away from the development, even four kilometres away. My information is that representatives from the developer have been meeting with our Department of Transportation, and we are requesting further information with respect to the development.

MR. MASKELL: My first supplemental is to the Minister of Gaming. Given that this is good economic development without a casino, how can the community of Lewis Estates block the inclusion of a casino in this development?

MR. STEVENS: Well, Mr. Speaker, on March 1 of this year a moratorium that had been in place on new casino applications was lifted. That moratorium had been in place since December of 1999, and during that moratorium period we worked hard to establish clear and transparent rules with respect to how new casino applications would proceed.

The particular development that the hon. member refers to is a potential First Nation casino, and the rules with respect to First Nation casinos are essentially identical to those with respect to traditional casinos. So there must be consent from the members of

that particular reserve by way of a band resolution. Thereafter, a complete application has to go to the Alberta Gaming and Liquor Commission, which is the body that is responsible for evaluation and ultimately the decision with respect to whether a casino is ultimately approved. They have a set of rules which addresses such issues as integrity, facility and operational standards, and they have to work through those. That process will have as part of it the ability of groups to raise concerns or objections, if you will, with the AGLC. It will be necessary for the AGLC to address those appropriately as they arise. They understand that, and I'm sure that that's what they will be doing.

MR. MASKELL: Mr. Speaker, my final supplemental is to the same minister. If the casino becomes a reality, how do some of the casino profits flow to the community outside of the Enoch First Nation for community services such as roads?

MR. STEVENS: I think it's important, Mr. Speaker, to understand that the First Nation gaming policy was put into place in January of last year and that it was part of the overall gaming policy. The splits with respect to the slot revenue, which I'm sure is what the hon. member is referring to in his question, are essentially the same as the traditional casino. There's 15 percent that goes to the operator, there's 15 percent that goes to the charity, in this particular case a First Nation charity – and those funds have to be used appropriately – and 70 percent goes to the Alberta lottery fund, as is the case with a traditional casino. In the First Nation's situation 40 of that 70 percent goes into a fund called the First Nations development fund, which will be under the auspices of the hon. Minister of Community Development, but that leaves 30 percent that goes into the Alberta lottery fund, which is used for the benefit of all Albertans.

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

Alternative Communications Policy

MR. BONNER: Thank you, Mr. Speaker. Recently I had the pleasure of meeting with several members of Alberta's deaf community along with some representatives of interpreter services groups. They expressed to me serious concerns regarding a lack of interpreters and the government's failure to implement its alternative communications policy from 1995. My questions are to the Minister of Community Development. What has the government done to facilitate the implementation of its alternative communications policy since it was released in 1995?

MR. ZWOZDESKY: Well, Mr. Speaker, I have met with some representatives from that particular community, and unfortunately we haven't made the kind of progress on that particular issue that you would probably be referring to. But if you have some specific people in mind that you'd like me to meet with, I'd be happy to meet with them. Frankly, I haven't heard from them for a little while, but it is something that I will be reviewing over the summer period. It's on the radar screen.

THE SPEAKER: The hon. member.

MR. BONNER: Thank you, Mr. Speaker. To the same minister: given that a document entitled Recommendations for an Alternative Communications Service, from the Premier's Council on the Status of Persons with Disabilities, states that "the current reorganization of government departments . . . [has] created an uncertainty with

regards to accountability and responsibility for the immediate funding and provision of interpreter services,” can the minister tell us what his department has done to streamline services for the deaf?

MR. ZWOZDESKY: Yes. In fact, Mr. Speaker, last year the Premier’s council did an extensive consultation throughout the province, and we’ve now just about completed the Alberta disability strategy. That will be available very soon, and I think all members will be quite happy with that. It was an extremely good process. I don’t have the number in my head of people who actually participated in that process, but we did go to various parts of the province with the issues that are of importance, some of which the hon. member has raised. So as soon as that’s available, I’ll be happy to provide copies of it for the public’s consumption.

THE SPEAKER: The hon. member.

MR. BONNER: Thank you, Mr. Speaker. To the same minister: given that one of the recommendations from the Premier’s Council on the Status of Persons with Disabilities is for “an increase of \$400,000 . . . to address the immediate needs for interpreter services in Edmonton, Red Deer and Calgary,” can the minister tell us whether this recommendation was accepted, and if so, how the money was allocated?

2:30

MR. ZWOZDESKY: Well, Mr. Speaker, I’m familiar with the number that the hon. member is referencing. I have seen that, and that is perhaps one point of view with respect to the dollars that might be needed should a program like that in fact be endorsed. If you’ll just wait for the report to come out, I’ll be happy to comment further on that. I don’t have a specific amount of money targeted for that specific point at this stage.

THE SPEAKER: The hon. Member for Edmonton-Strathcona, followed by the hon. Member for Lac La Biche-St. Paul.

Interdependent Adults

DR. PANNU: Thank you, Mr. Speaker. The Alberta government in an effort to mollify right-wing supporters who wish to deny rights to gay and lesbian couples has decided to create a tortured definition of an interdependent adult relationship. No other province has gone this route, but the Alberta government needed a way to satisfy the courts without upsetting social conservatives. However, the government has failed to publicly acknowledge that the federal legislation which extends pension benefits to same-sex couples will not recognize platonic interdependent relationships as valid grounds for those claims. My questions are to the Minister of Justice. Would it not be easier to be honest about what the government is doing, namely extending civil rights to these Albertans, rather than hide behind the thinnest of veils to satisfy a political need?

MR. HANCOCK: Well, Mr. Speaker, I think that the premise that the hon. member has put forward is absolutely wrong. What I’ve said time and time again in this House and outside of this House is that we took a very careful and thorough examination of family law, a very careful and thorough examination of the results, and we’ve brought forward I think very forward-looking and progressive legislation to deal with all types of personal relationships. Some people think that it’s impossible or difficult to say the word “gay.” I don’t believe that, but gay is not everything. There are lots of relationships, and all of those relationships must be dealt with. There’s no sense going piecemeal and dealing with one thing at a

time. It’s much, much better to do a thorough and complete analysis of the law, understand the fundamental principles under the law about fairness and who should have access to the law and extend that fairness and access to all appropriate groups at the same time.

THE SPEAKER: The hon. member.

DR. PANNU: Thank you, Mr. Speaker. Fair enough.

If the notion of legally recognized and platonic relationships does not receive public support, will the government continue to move forward with the legislation to end discrimination to same-sex couples as the courts are demanding?

MR. HANCOCK: Well, Mr. Speaker, that asks for speculation, and it’s not appropriate in question period to deal with issues of speculation. What I can say is this: we’ve done a thorough and complete analysis of the law, we’ve brought forward a very careful and well-thought-out bill, in my humble opinion, and I think that the Legislature and the people of Alberta will be pleased to adopt it.

THE SPEAKER: The hon. member.

DR. PANNU: Thank you, Mr. Speaker. To the same minister: will the government at least make the changes to its own pension and benefit plans to allow and accept same-sex relationships so that gay and lesbian Albertans don’t have to drag the government through expensive, long court battles all over again?

MR. HANCOCK: Well, Mr. Speaker, the hon. member would know if he’d been paying attention that in January certain amendments were made to some of the government’s pension legislation, and I presume that once we’ve done a thorough review of all the regulations, other amendments may well be brought forward.

THE SPEAKER: Hon. members, might we revert briefly to Introduction of Guests?

[Unanimous consent granted]

head: Introduction of Guests

(reversion)

THE SPEAKER: The hon. the Premier.

MR. KLEIN: Thank you, Mr. Speaker. It gives me a great deal of pleasure today to introduce a friend and a remarkable Albertan and a remarkable Canadian. He’s a Second World War hero. He’s a former Member of Parliament – as a matter of fact, he was Canada’s delegate to the United Nations – a former Member of the Legislative Assembly, a former member of Calgary city council, and a member of the Order of Canada. He has done a tremendous amount of work throughout this province, particularly in the city of Calgary, most recently with the Homeless Foundation. It gives me great pleasure to introduce to you and through you to all members of the Legislature Mr. Art Smith. I would ask Art to rise and receive the traditional warm welcome of the Assembly.

head: Members’ Statements

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

Friends of Seniors Foundation

MS KRYCZKA: Thank you, Mr. Speaker. The Friends of Seniors

Foundation is an eight-year-old Calgary community service based charity that successfully creates caring partnerships between teens and seniors in care centres. Its mission is to foster friendship between youths and seniors to enhance their quality of life. Founded in 1994, it began with 24 students and 12 seniors volunteering to have a lunch date with each other. Today FSF has grown to 224 students matched with 108 seniors, and there's a waiting list of 15 schools and care centres. Even the founding member, Brenda Wood, did not anticipate this huge demand.

In addition, over the past few years the foundation has also been asked to assist organizations outside of Calgary in setting up similar programs. The Friends of Seniors Foundation encourages a sense of leadership and social responsibility in our youth by partnering students who are looking for a chance to explore career paths, develop social skills, and experience volunteerism with seniors who often are isolated and lonely but have a wealth of knowledge and wisdom to share. One of the FSF's initiatives has been to produce a biography guide available to the general public for the recording of family history and life stories. When given the opportunity to connect, the result is an increase in well-being for both groups and their communities, and the relationships that develop are incredibly caring, deep, and often flourishing into long-lasting friendships.

FSF has grown far beyond lunch dates, and its programs definitely help to meet the need created by the increasing strain of an aging population on our support systems. FSF's goal is to offer their programs to every interested school and care centre in Calgary and to be available to other communities by offering a licence agreement that would provide a program and a resource manual, train the trainer workshops, and ongoing professional support. This incredible intergenerationally based foundation should be highly commended for wanting to share its experience and expertise by modeling their program provincially and nationally. The Friends of Seniors Foundation is truly a unique and successful program that is enhancing the quality of life for many of our precious resources, our seniors and our youth.

Thank you.

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

Environmental Report Card

MS CARLSON: Thank you, Mr. Speaker. As we near the end of this legislative session, I am pleased to rise and provide the government with an environmental report card including grades and suggestions about how they could improve their performance.

On forests: B, nearly a B plus. While some resource companies are working together on better forest management practices, the government should acknowledge its responsibility and ensure that forest management plans are not secondary to drilling operations. Completing a report called *Beyond Merchantable Timbers: Seeing the Forest as a Vital Ecosystem* would be a good starting point.

Water: an incomplete so far, pending the results of the water-for-life initiative. The Minister of Environment has put on a very lovely road show, but Albertans aren't ready to trust him yet. We'll wait to see what actions come out of this. A ban on interbasin water transfers would improve this grade when it's assigned. Albertans are not pleased with the freshwater that is being used to enhance oil recovery. Unless the plan is to have us drink oil, there should be some study in this area. More action on watershed management plans would also be appreciated.

Air, soil, and water quality: a B minus. In this area the government could benefit from making policy decisions using baseline and cumulative impact studies. Standards should be set with an eye on

best practices based on scientific research, not just on shareholder reports. Having a more active role in the promotion of new technology should be given some consideration.

Fish habitats: sadly, Mr. Speaker, a solid F. The government needs to quit blaming the cormorants and clean up its act. Committing sufficient resources for fisheries management is essential. A report on what really caused the mess in the commercial fishing industry is a good summer research project. Too many people were allowed in, or the rules were not enforced. We'll be looking for some answers here. Less talk and more action would help this grade. There are a number of groups in the province anxious to assist in this area.

Albertans look forward to the government following up on these suggestions so that we have still some nature left to appreciate.

Thank you.

THE SPEAKER: The hon. Member for Wetaskiwin-Camrose.

Green Certificate Program

MR. JOHNSON: Thank you, Mr. Speaker. Agriculture continues to be a major contributing factor to the success of our economy in Alberta. The success of the industry can be partially attributed to the programs that have been developed that encourage and train our youth in the agriculture industry. In co-operation with the farming industry since 1975 Alberta Agriculture, Food and Rural Development has managed an apprenticeship-style skill-training program for youth called the green certificate. Thousands of graduates have learned cow/calf, dairy, beef, crop, sheep, and swine skills. These people have filled jobs as technicians, production supervisors, managers, and family farm partners. The success of the program would not have been achieved if it had not been for one man: Walter McNary. Mr. McNary developed the green certificate program in the early 1970s, and the program was based on teaching students an on-the-job approach to learning the agriculture industry. Along with his first employee, Doug Taylor, and then Walter Scott the program was developed and began to grow. Doug Taylor and Walter Scott, previously introduced today, continue to lead the program.

2:40

Today the green certificate program has evolved into an extremely successful avenue for young people to become trained and pursue a career in the agriculture sector. It boasts thousands of graduates and has become a blend of the interests of trainees, trainers, and employers to improve the overall standard of performance in farming. A recent development in the green certificate program was to have the program accepted by Alberta Learning, and now hundreds of high school students are accessing the program to learn valuable work skills. The program also has become a great rural development tool, which shows that Walter McNary's vision still lives on within the program.

Walter McNary recognized the need for skilled training on farms in Alberta and in Canada. He is clearly a pioneer in our agriculture industry, and I would like to thank him on behalf of my constituency, which he is still a part of, for starting a program that is widely revered across Alberta.

Thank you.

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

Electricity Deregulation

MR. MacDONALD: Thank you, Mr. Speaker. The Premier, the Energy minister, and the Government Services minister have all

failed to address concerns about electricity deregulation presented to them by not only the Official Opposition but also one full year ago by their own market surveillance administrator. As a result, cabinet members and even the normally tame backbenchers have begun to revolt.

The Power Pool Council wrote a decision based on the market surveillance administrator's work which identified a number of issues in electricity billing. The report noted that for small customers "the actual hourly consumption is never known," and the subsequent need for profiling "means that there still remains a source of some error." In some cases unaccounted for energy represents 25 percent of a bill. Furthermore, the computer programs designed to settle energy consumption were incorporated without having undertaken the rigorous testing that one would normally expect in such situations.

The settlement systems code developed by the government for deregulation "is silent on the relationship between the retailer and its customer. This relationship is subject only to normal commercial laws that apply in Alberta and is not specifically addressed in any regulations." This lack of concern for consumers is epidemic in this government's electricity deregulation scheme. Deregulation was not developed for consumers but for corporations, and that is why it is the corporations who are benefiting, not consumers. The report reinforces this when it states that the system settlement code

deals only with the relationship between the [load settlement agent], the Power Pool and the retailers, but does not include customers. There is a basic issue of fairness to be assessed with respect to the treatment of customers.

EPCOR and Enmax are not to be blamed. It is the government that set these rules. That is where the blame lies. Electricity should be a service, Mr. Speaker, not an expensive commodity.

Thank you.

head: **Presenting Petitions**

THE SPEAKER: Hon. Member for Edmonton-Strathcona.

DR. PANNU: Thank you. Mr. Speaker, I rise to table a petition which is signed by some 117 Albertans petitioning the Legislative Assembly to urge the government of Alberta to roll back postsecondary tuition fees by 30 percent.

Thank you, Mr. Speaker.

head: **Notices of Motions**

THE SPEAKER: The hon. Deputy Government House Leader.

MR. ZWOZDESKY: Thank you, Mr. Speaker. I rise pursuant to Standing Order 34(2)(a) to give notice that on Monday I will move that written questions 5, 6, 7, 8, and 9 be dealt with on that day. Since there are no written questions or motions for returns beyond those which I have just cited, there will be none requiring a motion to stand and retain their place. We will have dealt with them all, and we're very pleased to announce that.

Thank you.

head: **Tabling Returns and Reports**

THE SPEAKER: The hon. Minister of Justice and Attorney General.

MR. HANCOCK: Thank you, Mr. Speaker. I am pleased to table five copies of the memo which was referred to by the Premier earlier in question period today.

THE SPEAKER: The hon. Minister of Sustainable Resource Development.

MR. CARDINAL: Thank you very much, Mr. Speaker. I'm pleased to rise in the Assembly today and table the appropriate number of responses to questions raised in the Committee of Supply on April 16, 2002. There were indeed some very good questions put forward by the opposition and our members that afternoon. I am very confident that the responses our ministry has developed are very informative and appropriate to these important issues raised.

Thank you again, Mr. Speaker.

THE SPEAKER: The hon. Minister of Municipal Affairs.

MR. BOUTILIER: Thank you, Mr. Speaker. I am pleased to table the requisite number of copies of the special areas trust account audited financial statements as of December 31, 2001.

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

MS BLAKEMAN: Thank you very much, Mr. Speaker. I have three tablings today. The first is a letter from Shirley Heather-Kalau, chief administrative officer for the village of Coutts, noting that the mayor and council for the village passed a resolution on April 10 in support of the reinstatement of the community lottery boards.

The second is a letter from Patricia Barr on behalf of the Carstairs library board again asking that the community lottery board program be reinstated.

My third tabling, Mr. Speaker, is from Don Hepburn, chairman of the Normandeau Cultural and Natural History Society. He's writing to the Premier and the members for Red Deer-North and Red Deer-South asking for the community lottery boards to be reinstated.

Thank you.

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

DR. TAFT: Thank you, Mr. Speaker. I have one tabling today. It's the appropriate number of copies of eight pages of examples of health care fraud cases involving health care businesses in the U.S. Today's series totals over \$1.025 billion.

Thank you.

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

MR. MacDONALD: Thank you very much, Mr. Speaker. I have one tabling today. It is an information letter regarding the Shaw Conference Centre strike. This letter is presented by the UFCW local 401, and it encourages everyone to call the mayor, the city councillors, the Citizen Action Centre, and EDE to see if there can be a successful resolution to this labour dispute.

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

DR. PANNU: Thank you, Mr. Speaker. I rise to table one set of 21 letters from residents of Edmonton addressed to the Premier. These residents are concerned about the lack of housing for people suffering from mental illness and physical disabilities, and they are urging the government to work with the municipal and federal governments in ending homelessness in Alberta.

Thank you, Mr. Speaker.

MR. MAR: Mr. Speaker, I beg leave to table the requisite number of copies of the annual report of the Mental Health Patient Advocate and also my responses to motions for returns 5, 6, and 8.

head: **Projected Government Business**

THE SPEAKER: The Acting Official Opposition House Leader.

MR. BONNER: Thank you very much, Mr. Speaker. I'd now ask the Government House Leader to provide us with the projected government business for the week of May 13 to May 16.

THE SPEAKER: The Government House Leader.

MR. HANCOCK: Thank you, Mr. Speaker. On Monday, May 13, at 9 p.m., under Government Bills and Orders I anticipate that we'll deal with Government Motion 26. We would then go into third readings on Bill 27, the Appropriation Act, 2002, and Bill 29, the Intestate Succession Amendment Act, 2002, Committee of the Whole on Bill 26, third reading on Bill 26, and as per the Order Paper.

On Tuesday, May 14, prior to Government Bills and Orders we anticipate introducing Bill 31, the Security Management Statutes Amendment Act, 2002. We anticipate the attendance of Her Honour the Lieutenant Governor to provide royal assent to bills passed by this House and thereafter as per the Order Paper. It is potentially anticipated that we may be moving an adjournment motion on Tuesday afternoon pursuant to Government Motion 26 if that's passed by the House.

2:50

THE SPEAKER: The hon. Member for Edmonton-Ellerslie advised earlier in the question period that she'd be rising on a point of order. Is someone proceeding on that point of order?

MR. MacDONALD: Yes, Mr. Speaker.

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

Point of Order Allegations against a Member

MR. MacDONALD: Yes. Thank you, Mr. Speaker. I rise on behalf of the hon. Member for Edmonton-Ellerslie. The citation I would like to use is Standing Order 23(h), "Makes allegations against another member." The hon. Premier in an exchange with the Official Opposition in question period – and I don't have the benefit of the Blues; I don't believe they're here yet. The response was inappropriate.

Now, the opposition has no authority over what comes from FOIP, and FOIP, freedom of information and protection of privacy, as we all know, never provides anyone with an original copy. In regard to the document this certainly has an action request on it. It is action request 47315, and it has a six-digit control number from the FOIP co-ordinator, 000060. It is a document that has been presented to the opposition, and the opposition brought it forward in the Assembly. It is not improper, it is not incorrect, nor is it incomplete.

Thank you, Mr. Speaker.

THE SPEAKER: The hon. Government House Leader.

MR. HANCOCK: Well, thank you, Mr. Speaker. The fact of the matter is, though, that the hon. member has missed the whole point of it. What happened apparently, it would seem – and one has to make assumptions on these things – is that the members opposite provided a FOIP request and got copies of documents. An hon. member in the House in the first exchange then asked a question about why a document would not be on letterhead and not be signed. Well, the reasonable answer to that presumably might be – but it would be speculation – that they got the file copy from the file that they FOIPed. The document is obviously addressed to other people. It's addressed to the Hon. Ralph Klein, Premier, and members of

Executive Council, and of course the signed copy of the memo and the letterhead copy of the memo might reasonably be found on the files of the people it was sent to.

But the question was raised in the House in an attempt to make some suggestion of impropriety, I would suggest, so the hon. members themselves on the opposite side who brought argumentation into the process and tried to suggest impropriety by talking about an unsigned memo that was not on letterhead – that was the insinuation the opposite side brought forward. So when the hon. Premier comes forward with a memo on letterhead and signed, which one might reasonably find on the files of the people to whom it's addressed, and then refers to the fact that they're doing "stuff" – I think "stuff" is a very, very polite reference to what was being attempted by the opposition. [interjection]

THE SPEAKER: No. Just once, hon. member. It's not a debate. No. The hon. member has already made his case.

As far as the chair in attempting to understand this – umbrage was taken by the hon. Member for Edmonton-Ellerslie and the hon. Member for Edmonton-Gold Bar when the hon. leader of the government responded and basically said the following after the chair had asked the hon. Premier to table the material: "I'll be happy to table it. I'll have these five copies. It is the original, not the, you know, stuff they tried to table yesterday." This may be a disagreement in the utilization of words, but it's not a point of order.

Speaker's Ruling Decorum

THE SPEAKER: However, the chair would like to advise that an hon. member did very clearly violate Standing Orders this afternoon, and that's Standing Order 13(4). There was no intervention of the chair because the chair has chosen repeatedly never to intervene when an hon. member is making a member's statement, but when the hon. Member for Calgary-West was providing her statement, there was a clear violation of 13(4), and 13(4) states that "when a member is speaking, no person shall . . . pass between that member and the Chair," and one individual did.

head: **Orders of the Day**

head: **Government Bills and Orders
Committee of the Whole**

[Mr. Tannas in the chair]

THE CHAIR: I'd call the Committee of the Whole to order.

Bill 27 Appropriation Act, 2002

THE CHAIR: Are there any comments, questions, or amendments to be offered with respect to this bill? The hon. Member for Edmonton-Gold Bar.

MR. MacDONALD: Thank you very much, Mr. Chairman. I have not had an opportunity yet to speak regarding Bill 27, and certainly I still have a number of outstanding questions. One has to look at the entire schedule, the votes that are presented, whether it's the Legislative Assembly Office or the various departments of the government – Aboriginal Affairs through to Children's Services, Energy through to Transportation – look at this bill and see the solid figures and wonder how a government that had prudent fiscal management could somehow spend 20 percent of its budget outside a fiscal framework. Now, I certainly hope this is not going to

happen with this bill, but one must learn from our mistakes.

We look at the planning that has gone into the budget, and we look at some of the flip-flops that have occurred and some of the doublespeak that has been heard by various groups across the province. We look at the changes to the transportation grants. We look at the uproar that caused with not only the mayor of Calgary and the mayor of Edmonton but various municipalities across the province that all had concerns about this. It was changed; it was very quickly changed to consider the interests of the citizens of those respective communities.

Now, we look at Gaming and what has occurred there. When we look at this entire budget – many individuals in this Assembly are reluctant to speak in this Assembly regarding the issues because there's another process for those hon. members, and that's the standing policy committees. They can go to the standing policy committees, which are not accessible to members of the opposition. Our constituents expect us to analyze the budget in this Assembly, but hon. members of this Assembly who can attend the standing policy committees and have a part to play in the proceedings can, it is suggested, influence the budget.

3:00

Now, whatever department we're looking at at some point, Mr. Chairman, is going to go before a standing policy committee. I'm going to speak specifically about Gaming and the changes to the community lottery boards at this time. How this termination of the \$51 million or \$53 million program happened, I'll never know, but I can happen to guess the discussion that must have taken place. It must have been a vigorous, heated political debate at that standing policy committee to decide that we're going to terminate this program, and it was with a great deal of excitement and fanfare that the program – I believe it's 1998 – was initiated, and it was terminated. Now, I of course am not allowed to go there, but I can only assume that this happened after this vigorous debate in the standing policy committee.

In light of the referendums and the votes and the discussions that occurred across this province regarding the whole issue of VLTs and whether it was right or whether it was wrong to accept money or the profit from those machines, the community lottery boards were a compromise. It was supposedly the political fix to appease a lot of people who were uneasy for one reason or another about accepting this form of funding, and it was very well run. The volunteer boards throughout the province certainly knew the communities, because the majority of those volunteers would of course live in those communities, and they knew where the money was needed. How we could in this process of discussing the budget before it is tabled in this Assembly at the standing policy committees eliminate or terminate that program is beyond me.

We're going to take a significant amount of the gaming revenue and use it for debt repayment. It wouldn't surprise me if our debt, which is currently near \$6 billion, is not as great as one would think, and perhaps this surplus that we're looking at is going to be greater. Mr. Chairman, I can only imagine what might occur in this Assembly if that event were to happen long before the centennial year of 2005 and what a great deal of fanfare. The public relations experts would be, to say the least, zooming around and making sure that every Albertan was aware of this event.

Now, part of the reason for the success is going to be because of course we had to cancel that one program: the community lottery boards. We can even have up here in the corner by the brass rail a trumpet, and you would think that this would be from the medieval courts of England. There would be a banner on the trumpet that will say, "Debt reduction achieved," and it will roll down as the player

begins to play his tune. That's fine, I suppose, but what sort of damage is already going to be done to the Alberta communities as a result of this canceling one program and concentrating specifically on debt reduction?

When you look at total revenue, it is going to be impossible for this goal to be achieved. The economy is not that robust. Personal income tax is scheduled to be roughly 24 percent of our revenue. Nonrenewable resource revenue is going to be roughly 19 percent. Corporate income tax is going to be 8 percent. Premiums, fees, and licences are going to be roughly 8 percent. Well, we know that there have been significant increases in premiums, fees, and licences. We know that nonrenewable resource revenue is at the moment going to be much greater than what was anticipated in the budget. How much greater? We certainly don't know, and we can't rely on it. It astonishes me that so few Albertans realize that conventional oil production has been in a state of decline in this province and conventional oil production has been in a state of decline for 30 years. We still make a sizable amount of money on conventional oil royalties, but it is not nearly what we make in royalties from natural gas. As the price of natural gas increases, so does the royalty rate, but we certainly are, whether it's because of geopolitics or economic activity, seeing quite a surge in oil prices, Mr. Chairman.

Now, there is a robust economy and personal income tax that may be a little greater than perhaps what was anticipated, and the same can be said for corporate income tax, but we cannot have this flip-flop all the time. A budget must mean something. If Albertans are suspicious of this process and this budget, you can't fault them for having suspicions, because leading up to the election, we saw some undeniably uncontrolled, unexplained spending patterns. You couldn't keep up with the announcements. The large majority was achieved, and then there was again this plea of poverty, and oops, we may have overestimated some things, and there has to be, certainly, reductions. I don't know if those policies are planned, are thought out well enough.

If we're going to have this concentration or this emphasis on nonrenewable resource revenue in this province and everything is going to depend on the price of oil and the price of natural gas and other natural gas liquids, I would have to say again that it's time for the government to swallow their pride and adopt the fiscal stabilization fund, the idea that has been proposed for a number of years by the Official Opposition. It is a bill that is before the Assembly under the name of the hon. Member for Lethbridge-East. I don't know how to encourage or to sell the government members on this idea, but at least over the period of the summer study this idea, acknowledge that the hon. Member for Lethbridge-East is right and that it's the right thing to do.

3:10

I see that at the front of this booklet we have the title *The Right Decisions for Challenging Times*. Well, one of those right decisions is the establishment of the fiscal stability fund, and particularly now that we're going to be lucky enough to have perhaps a few more dollars than we had anticipated whenever this document was being drafted and this bill was being drafted, perhaps now is the time to put some of this money away in the Nicol fund. That's what we could call it, Mr. Chairman. Yes, I think that's a suitable name for the fiscal stability fund. When we have the next downturn in resource revenue, this money could be drawn off. It could be perhaps used to help finance Economic Development. It certainly could be used in the Health and Wellness portfolio so that the regional health authorities, regardless of how many of them there are going to be, whether there are going to be seven or 17 or maybe two – I heard a number today that there could be as few as two: one in the north and

one in the south. Certainly the officials there would know, whenever they're doing their budgets, that regardless of the commodity prices that are set internationally or in the case of natural gas in North America, there would be money available to fund the programs.

The same would apply to Human Resources and Employment. In fact, it would allow the minister there to perhaps plan to have an increase at least to match the rate of inflation or to consider the consumer price index to allow the citizens of this province who are living very modestly on SFI benefits or on AISH benefits to know that there would be an annual increase in their benefits to match at least the cost of living increases. We all know, Mr. Chairman, that rents have gone up because of increased economic activity and citizens moving to Alberta from other places in Canada, from other places around the world for that matter of fact. They're driving up rents, because of course accommodation is scarce, and one of the first groups to be affected by this is citizens who are living modestly on those benefits, and that's through no fault of their own. Many of them have disabilities of one form or another that prevent them from participating in the workforce. So the Minister of Human Resources and Employment in planning the budget of that department would certainly be a beneficiary of having a fiscal stability fund.

Now, infrastructure. Gosh, we have projects that are planned, and then they're canceled. We have contractors who are looking two and three years down the road, sometimes beyond that whenever they're financing construction machinery. Some of this machinery is very, very expensive. Whenever they're purchasing this equipment, they sort of have to look a little bit into the future, and while they gamble a bit, they make a business decision that, yes, I'm going to be able to utilize this machine in my operations and eventually pay for it. If we had a stability fund, there could be much better planning for infrastructure projects, whether they're overpasses or roads or bridges or maybe even the highway that hopefully will be built from Fort McMurray across to the Peace district. Hopefully, this highway will at some point in the future be built. I don't know what we'd name that highway either.

AN HON. MEMBER: Cardinal Drive.

MR. MacDONALD: Cardinal Drive is one name that has come forward for that highway. It would certainly be a long drive. I'm told it would be four hours at 100 kilometres an hour. That would certainly be a long drive. Before we construct Cardinal Drive, I think we need a fiscal stability fund.

Now, certainly with Learning when we look at what happened recently with the public education system across the province, we had no money to settle the teachers issue. Suddenly we had I think it was \$51 million to put on the table to discuss the issue of the pension liability with the teachers. I'm grateful that someone found the money somewhere. That is interesting, because while this whole issue was developing, Mr. Chairman, I and several others in the Liberal caucus thought that there was a sensible solution to this in the money that was already set aside for debt repayment. Some of that could have been used, and certainly that plan would have worked. It certainly would have worked at the time, and it would have prevented so much confusion. It would have prevented all the bad feelings that have occurred between the government and the teachers across the province. Hopefully, those relationships between the teachers and the government will improve, but if we had a fiscal stability fund, we wouldn't have had relations that way either.

At this time, Mr. Chairman, I will cede the floor to a colleague. Thank you.

THE CHAIR: The hon. Minister of Transportation.

MR. STELMACH: Thank you, Mr. Chairman. I don't normally rise and participate in some of the debates in the House, but I just wanted to clarify some information from the hon. member across the way – and it will be recorded in *Hansard* – that isn't true. He said that the Transportation budget has been changed. The Transportation budget has not been changed. You're still voting on \$893 million. So don't again try and confuse Albertans by our fourth-quarter results, which ended on March 31, 2002. We started a new budget on April 1, so what we're voting on is from April 1, 2002, to March 31, 2003. What was done before March 31 according and pursuant to the rules of the Fiscal Responsibility Act, again on the preliminary fourth-quarter results, was to put back some of the money that Transportation had given up in the October correction for very good reason: we could not end the year in a deficit. Okay? So \$155 million of the \$300 million that was given up in October came back to this department.

However, the only way that we could give that money back or use that money in the Department of Transportation was to then give it to municipalities, which brought all of their funding back to historic levels of the previous year. We could not take any of that money and put it into our own infrastructure, the provincial highway network system, because the rules say that we can only progress pay. We don't build roads in January and February in this province, so we had nothing to progress pay.

There was no flip-flop of any kind on the budget. The budget that I brought forward through Committee of Supply was \$893 million, and that's what we're voting on. We're not voting on any additional money.

The reason we did what we did was to ensure that we kept the municipalities whole at least to March of 2003 to give both the government of Alberta and municipalities an opportunity to work out some sort of a new arrangement pursuant to the Financial Management Commission, that's now in the process of hearing various presentations from many stakeholders. That will give us a better idea of how we can put more predictability into the Infrastructure and Transportation budgets of the province. I just want to again reiterate: no flip-flop; we followed the rules.

3:20

Where did the money come from? We knew that corporate tax revenue was payable by the end of February, and that was about \$200 million over what was forecast. Given the unbelievable cold weather in March – nobody predicted that in October, I know that for sure, the coldest March in 122 years, I believe – we knew the gas volumes as a result of that cold weather. Of course, I suspect that the colder it is, the more gas people use to heat their homes and that industry uses as well. As a result we then had the better predictability of what our royalties would be on that volume of gas sold during that period of time.

So for the purposes, Mr. Chairman, of just ensuring that we have the correct facts in *Hansard*, that the public is going to read tomorrow, I thank you for the opportunity to just put some of that information on the table and correct it.

Thank you.

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

MR. MacDONALD: Mr. Chairman . . .

THE CHAIR: Hon. Member for Edmonton-Gold Bar, Edmonton-Glengarry had indicated last time that he wished to speak.

MR. MacDONALD: Yes. Mr. Chairman, he was gracious enough

to provide me with an opportunity to respond to the remarks that have just been presented to this Assembly by the hon. Minister of Transportation.

Last year certainly the budget was \$1.5 billion, and as the hon. minister noted, there is a significant reduction this year. There's more to this than salt, sand, and gravel. There certainly is. Everyone knows that the winters are cold in this area of the world. When we have that much of a flip-flop from one year to the next, it is very, very difficult for anyone to plan.

Now, perhaps the hon. minister sent a memo and said that we're going to have a cold winter, and perhaps as a result of this I don't know what my budget is going to be, but it may be reduced. I don't know that. A lot of municipalities across this province, certainly from what they expressed in the rotunda here after the budget was announced, didn't get the memo. The hon. minister is entitled to his opinion, and so are Albertans.

Thank you.

MR. STELMACH: Just for the record, I wasn't expressing an opinion. I was simply stating fact. You know, in terms of opinion the opinion was that it would be nice if we could predict the weather six months hence, but sometimes it's difficult to predict it two days in advance, let alone half a year.

The truth is that our budget again is from April 1 to March 31, and I hope the hon. member across the way knows what he's going to be voting on, not on fourth-quarter results.

Knowing how cold the month of March was and the volume of gas that was used during that period of time and the fact that we knew that we had \$200 million more in corporate tax, that would have all gone against the debt by March 31 if we hadn't given it to municipalities, not returned it to the department, had been silent on it. Can you imagine the kind of uproar or the flip-flop that would have occurred in June when the municipalities would have found out that we had this money and we didn't restore some of the historical funding to them? So I think the decision was right. There wasn't any kind of a flip-flop. We said that any new money coming in the same fiscal year in the fourth quarter would go back to those departments that gave it up. So we did exactly what we said we were going to do in the month of October.

THE CHAIR: The hon. Member for Edmonton-Glengarry, followed by the hon. Minister of Finance. Just back and forth.

MR. BONNER: Thank you very much, Mr. Chairman. It's a pleasure to get up and speak to Bill 27, the Appropriation Act, this afternoon and certainly to make some comments about the whole process that we've endured this year. I suppose it all started for me when I attended an AAMD and C meeting in south Edmonton. So many people at that meeting that particular day expressed concerns about how Municipal Affairs wanted our municipalities to have three- to five-year business plans in place, ready to go, and the comments that came back at that particular meeting were: how do you expect us to have three- to five-year business plans when you are running one- to three-day budget plans?

Certainly the municipalities were very, very frustrated with this whole process of the budget this year. The AUMA was very frustrated with this whole process. The road construction industry in this province was set on their heels. Because of what had been forecast that they would have for spending in upcoming years, they had made plans based on this. Of course, when revenues aren't there, then certainly things have to be cut back.

As well, when we are looking at the whole budgeting process, there is a much better way to do it. We can't certainly look at year

to year from here. We have to look at next year as well, and we have to look at what our costs are going to be next year. We have to figure in things like inflation. We have to have stable, predictable funding in order that those businesspeople in this province that make huge investments to supply the services and the skills that we require can fulfill those and won't be left holding the bag when all of a sudden we have a hiccup wherever it may occur and the money isn't there. So, yes, we do have a lot of work to do in this province on budgeting.

If you look at any good budget, there is a stretch factor not only in revenues. There's also a stretch factor that comes into play in our expenses. Now, unfortunately that stretch factor has only been factored into expenses, and we saw that last year when so many dollars were allocated to various types of programs in this province, were based on projections that money was paid out, and all of a sudden we had to put the brakes on and say that there is not going to be enough revenue, enough cash flowing in the way the economy in the world was going and the way we had prices in natural gas and oil being cut back. So we do have to look at both sides of this issue, and that, Mr. Chairman, was totally, totally unforgivable when you think that that year was the year when we had the second greatest revenues in the history of this province, and we are making cutbacks. Now, that tells us that there is a serious problem with our budgeting process.

When I look at this year – and again I'm going to refer to the government's own document. I'm going to refer to Budget 2002: The Right Decisions for Challenging Times, the fiscal plan. We look and we see in here on page 31:

There is a wide range of views about what balance will actually be achieved between these factors. Oil price forecasts range from US\$18.00 per barrel to over US\$26.50 over the next three years. Budget 2002 assumes that oil prices will average US\$20 per barrel for the next three years.

Now, certainly there isn't much flex there. There certainly isn't much stretch. We are going to be basing our budgets on a lowball forecast, yet we certainly aren't doing that to our expenses. So what we do is we make these grand announcements of all the projects that are going to happen, of everything that is going to happen in settlements to our various public services, yet when the revenues aren't there, then of course we have to start scaling back. We have to start making cutbacks if we are going to fulfill our own laws that we have made in this province.

3:30

As well, the Minister of Transportation has outlined here that because of situations and the way our economy goes and a cold March, we certainly can't predict accurately those extra revenues that would flow in in March. We all know that we've been having not only different weather patterns in this province for many centuries, but we've also been having this whole cyclical type of revenue where it is a boom or a bust. We are going to have good years where moneys flow in; we're going to have difficult years. I can only think what sort of shape this government would have been in if they would have had to endure the \$10-per-barrel oil prices that the Getty government had to. Does that mean we stop education in this province, we stop health care? Or do we run a deficit, as they had to do? Yet in the year when we have the second-most revenue in this province's history, we are making cutbacks. What does that say about the whole process? It tells us that we're not very good.

Now, then, the hon. Member for Edmonton-Gold Bar once again mentioned this whole idea of a stability fund. This is starting to gain widespread acceptance across this province, and it certainly is one of those programs that will make certain that we don't have to make cuts to essential services when we do have a cutback in revenues, as

we had in the past year. We didn't only have the cutbacks in revenues because of our oil and natural gas prices; we had a tragedy in New York that impacted the entire world.

So it is time in this province that we did have some prudent fiscal management, and as part of that management, we don't base it on hoping that we have large sums of money at the end of the year to pay off a debt while we're making cuts to essential services, while we have provincewide strikes in education. It isn't working.

So when we do look at a number of programs that are impacted here, we also have to look at some other things. I noticed when the hon. Member for Edmonton-Gold Bar was talking about us having a Cardinal Drive, the Member for Edmonton-Castle Downs said: well, we should call it Liberal Drive, where you can only go in reverse. But I'll tell you what: Albertans would have loved it if so many of these fees that have been announced, user fees in place of taxes, would have gone in reverse instead of increased. In the year that we have the second-most revenues, we increase user fees to Albertans. [interjections] Mr. Chairman, I would invite any of the hon. members to please join in the debate. They have the opportunity. I know that their constituents would love to hear from them. They would like them to fulfill their promise from the election that they will be the voice in this Assembly for their constituents, but not in the form of comments like the Member for Edmonton-Castle Downs. No. They certainly don't want to see their driver's licence renewal . . .

MR. MacDONALD: And they even campaigned on health care premiums.

MR. BONNER: Ooh. Yes. Well, I'm getting to that too, I think. Yes.

Driver's licence renewals: the current fee going from \$40 to \$55. Very good. Not a tax. A user fee. A driver's licence reclassification is going from \$5 to \$13, and agent services fees, which have increased \$7 on the same service where they didn't have that before. We have name or address changes going from zero dollars to \$13, and again an agent service fee is \$7. We have reinstatement for alcohol suspension going from \$140 to \$200. We have reinstatement for nonalcohol suspension going from \$25 to \$50.

Now, when we look at vehicle registrations, Mr. Chairman, we have many Albertans affected by this. I think that we have probably as high per capita number of cars as any other province in Canada. When we look at that, we look at passenger vehicle registration. The current fee is \$48 going up to \$61. We have motorcycles and off-highway vehicles going from \$30 to \$36. We have recreation and other trailers, onetime fee going from \$30 to \$100. Commercial trailers up to 34,000 kilograms: the range was from \$96 to \$1,848, and that's going up to a minimum \$106 to an upper fee of \$2,033. We have commercial trucks that range from \$66 to \$3,138, and that's going to increase to \$73 as the base amount to a high of \$3,452. Now, we also have restricted commercial vehicles, and again these fees are going up. Government plates: onetime fee going from \$16 to \$61.

School buses, the vehicles that transport our students to and from class: certainly we have much more reliance on school buses in this province at this particular time, simply because we're not building schools. I heard the hon. Member for Edmonton-Castle Downs at a public forum tell his constituents how they were going to have a new high school in Castle Downs, but I haven't heard any announcements of that yet. As well, public buses, this price is going up. Mr. Chairman, this government hasn't done very well.

We've had a campaign going on in Afghanistan to wipe out terrorism. There are threats that we're going to have further

campaigns to wipe out terrorism, possibly in Iraq, and the price of oil keeps going up. We continue to have more and more revenue pouring in, yet we keep increasing user fees.

Now, then, we had hon. members in this House – in fact, I believe it was the hon. Member for Edmonton-Manning who proposed that we eliminate health care premiums. I thought that was an excellent motion, and I supported that motion, especially when I think that we are one of the two provinces in Canada that continues to have health care premiums that must be paid by individuals.

Everyday we hear in this Assembly about the Alberta advantage. Where is the Alberta advantage for these people that have to pay health care premiums? Where is the Alberta advantage for all those people that had an increase in their fees? Where is the Alberta advantage, Mr. Chairman, when we have the biggest strike in the history of the province in our public education system? Where is the advantage when we have parents that must be out fund-raising for essentials in education? And how sad it is that we are looking at bringing legislation into this House which will eliminate parent fund-raising for essentials in education.

3:40

I see, as well, that certainly the people that are involved in the horse race industry are experiencing the Alberta advantage. They have a \$33 million line item in the budget. I see the people that are operating Swan Hills are getting \$26 million. This is to process hazardous waste from outside the province. Now, then, we look at our community lottery boards, the very grass roots of the people of this province, the people in a local situation, the people writing their propositions, their requests for funding, the people that know where that funding should go, and we cut out the community lottery boards.

As well, we have seen, certainly since the budget came in, flip-flops on the fuel tax revenue sharing. We have certainly seen a flip-flop on what's happening with students taking grade 10 credits. We have seen the education minister in the press, not in negotiations and certainly not at the local school board level, where it should have occurred, offer \$53 million to teachers' pensions, withdraw it, and now we see it's back on the table, and it is to stop job action that has taken place. Certainly we've bungled this whole issue with the teachers.

AN HON. MEMBER: We?

MR. BONNER: Yes, "we." Because I'll tell you what. I sit in this Legislature along with 82 other members, and we better take responsibility for what happens in this province, and I certainly don't have any problem standing up and saying that on that particular issue we didn't do a very good job.

AN HON. MEMBER: Do you think the three of you can handle the whole government?

MR. BONNER: I think we're going to get the opportunity.

Now, then, we did have work stoppage in education. We did have work action by teachers. We had protests. We had protests in St. Albert. We had protests out here on the steps of the Legislature. We had protests by all levels of education. We had the chairman of the Edmonton public school board certainly not supporting a letter from the provincial chair that complimented the government on their handling. We are looking here at a very, very poor budgeting process.

We also know, Mr. Chairman, that we have what we call the Alberta advantage. We certainly have had a huge influx of people to this province, and they have moved into Calgary, Edmonton, Fort

McMurray, Grande Prairie, I believe Brooks as well. These people have had incredible influxes of people moving into their communities from other parts of Canada and the world. Yet when this occurs, they place just a tremendous pressure on the infrastructure. It places tremendous pressure on our hospital system. It places tremendous stresses on our schools. It places tremendous stresses on the transportation systems. I still think of the number of people in Calgary and what's occurring here in Edmonton as well – our transportation systems are being taxed with the number of people on them.

Mr. Chairman, I know my time is winding down here, and I must say that this particular budget has fallen short of what Albertans expected. This particular budget didn't deliver what Albertans need, and they certainly don't need user fees that are increased instead of taxes. They don't like being told they live in the province with the lowest taxes when user fees go up. So I look forward to further debate on this issue.

Thank you, Mr. Chairman.

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

MR. LUKASZUK: Thank you, Mr. Chairman. It's always difficult to follow an astute and an eloquent speaker. It's a good thing that I don't have to worry about that today.

But I do want to thank the previous speaker for bringing up the topic of a high school in Castle Downs. He may be aware of the fact that despite his lack of involvement Edmonton Catholic school board has reprioritized its infrastructure and expenditures and will be building a high school in Castle Downs, and I believe it has not much to do with this particular member of this House. However, if he does want to do away with all the user fees and expenditures that he is not happy with, at the expense of which programs, and would it be at the expense of a high school in Castle Downs that he would do away with those expenditures?

THE CHAIR: The hon. member.

MR. BONNER: Oh, thank you very much. It always is a pleasure to respond and . . .

THE CHAIR: The hon. leader of the third party was standing up? No.

Okay, sorry. The hon. Member for Edmonton-Glengarry.

MR. BONNER: Yes, it is an honour to respond to that, and certainly, Mr. Chairman, the whole point of my address was – and I'm sorry that the hon. Member for Edmonton-Castle Downs missed it – if we budget properly, we do not have to cut. Certainly I've had a very long involvement with the Edmonton Catholic school system . . . [interjection] Oh, we can handle that. Give us a shot. We're going to show you how to do that in the near future.

As well, Mr. Chairman, I've had a long association with the Edmonton separate school board going back to 1969, when I had the opportunity to student teach at St. Cecilia's junior high and then again to have employment in Edmonton separate schools with Mount Carmel, with St. Cecilia's. I had quite an extensive time coaching various sports at Archbishop O'Leary. In fact, one particular year our basketball team managed to get to the 4A provincials, and we were doing a very good job there. As well, I've had three children that have gone through that system, that have received just excellent education, and I certainly take my hat off to all those teachers who entered education and remained in education and, you know, had full-time employment for a number of years and certainly got a great

view of what happens in the school systems. It's unfortunate that those people who tried to enter education and for whatever reasons didn't stay in education have a very narrow focus on what happens.

As I was saying, Mr. Chairman, there are many, many needs in this province which continue to go unmet even though we have tremendous revenues flowing in at this particular time. As well, when I look at our school system, we had I think last year in the budget \$800 million committed to infrastructure in our school system, yet those had to be deferred, and I wonder in many cases if they ever will see the benefits of what at one time was put out there for them.

Of course, Mr. Chair, I certainly welcome the opportunity to address those issues raised by the Member for Edmonton-Castle Downs, and I certainly enjoyed that, and now I would like to cede the floor so other members may participate in the debate today. Thank you.

THE CHAIR: The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Chairman. I move that we adjourn debate.

[Motion to adjourn debate carried]

3:50

DR. TAFT: Mr. Chairman, a point of order.

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

Point of Order Recognizing a Member

DR. TAFT: I feel unquestionably that I had risen well before the Member for Edmonton-Whitemud to participate in the debate, and I wasn't recognized.

THE CHAIR: You certainly were. My indication was that the minister was going to – but in any event, the precedent is that if you are having a debate, which we've been having this afternoon for – what? – an hour and 20 minutes or so, and it's been back and forth and back and forth, so right now it's forth. The chair has no means of discerning what contribution any member might make to the debate, but those are the rules. Then if there's a tie, it is usually to the person who first goes. As you know, hon. member, we often have lists.

DR. TAFT: Just to point out that under Standing Order 17 it reads, "When two or more members rise to speak, the Speaker calls upon the member who, in his opinion, first rose in his place." It's my view that I rose several seconds before the Member for Edmonton-Whitemud.

Thank you.

THE CHAIR: The chair would agree wholeheartedly with what you said. You did rise ahead, but as I was saying, when you're in a debate, it goes back and forth. The opposition doesn't have the right to have continuous speakers on an item, and we've had several government speakers on this occasion, and as I say, the chair indicated that he understood that the Government House Leader was going to speak on the item. The chair has no knowledge of what that might be.

On the point of order the hon. Government House Leader.

MR. HANCOCK: Yes, Mr. Chair, if it would help, I would assure

the hon. member that we have no intention of precluding debate. There are a couple of other items that we had understood we'd move to this afternoon, and we have to come back to this item, in any event, this afternoon. So he'll have the opportunity to speak to it, presuming that the other matters get dealt with, as was our understanding.

THE CHAIR: Okay. We did have a motion. It was voted on, and the motion was to adjourn debate on Bill 27. We've now done so.

Bill 28

Miscellaneous Statutes Amendment Act, 2002

THE CHAIR: Are there any comments, questions, or amendments to be offered with respect to this bill? The hon. Member for Edmonton-Gold Bar.

MR. MacDONALD: Thank you very much, Mr. Chairman. At this time I have just a few remarks regarding Bill 28, the Miscellaneous Statutes Amendment Act, 2002. Certainly this has been discussed by the Official Opposition caucus. There was no hesitation in supporting the Employment Pension Plans Act. This is, to say the least, housekeeping.

The Railway Act: at some time there was a considerable amount of discussion in caucus regarding this, whether we should support this or not. The hon. Member for Edmonton-Glengarry, long before his days as a teacher in the separate system in the city, had some experience as a railroader, as I understand it, and his knowledge of the railroads of this province is much more detailed than mine. I do notice that there is a slight change here in the amount of notice that has to be given publicly whenever the railways change, and I have been assured that this is not significant.

THE CHAIR: Hon. member, you from time to time go and begin to talk to the row of people next to you. It's impossible to hear you, and I don't know whether *Hansard* has any problems. I've got this cranked up as high as I can, and I'm missing it.

MR. MacDONALD: Yes. I apologize for that, and I'll try to conduct myself more appropriately in the future. With that, I will conclude my remarks on Bill 28, the Miscellaneous Statutes Amendment Act, and I will cede the floor to another colleague. But in my defence, Mr. Chairman, I must say that I have few friends in this Assembly, and this gentleman is one of them.

Thank you.

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

MR. BONNER: Thank you very much, Mr. Chairman. I do appreciate the opportunity to rise and particularly talk about the section on railways in this particular act. As we know, since the early 1900s we've had quite a change in railways in this province. We saw first of all a very rapid growth in railways in the early years of this province and in the growth of branchlines, and it seemed that everybody at that particular time was getting into this whole idea that railroads were the way to go. Certainly Alberta was the place to build them or one of the places, because we did have such a vast agriculture industry, as we still do today, and we did develop these lines.

Now, as well, what a lot of members in this Assembly might not know – and I'm referring to this book called *The Golden Province*.

MR. HANCOCK: Point of order.

THE CHAIR: The hon. Government House Leader on a point of order.

Point of Order Brevity

MR. HANCOCK: Yes, Mr. Chairman. We're in committee on Bill 28, and while the rules don't specifically preclude debate on any bill in this House, this is the Miscellaneous Statutes Amendment Act, and the custom and practice of parliaments is that the Miscellaneous Statutes Amendment Act is agreed to by all parties before being introduced in the House and does not in this case, I might say, suffer debate. So there's nothing to preclude debate in the rules, but it is the custom and practice and the understanding of all parties that anything that's in the House has already been agreed to. Therefore, it's unusual that we would have more than the introducer and perhaps one perfunctory response. So I'm wondering if the rules have changed, if we don't have that custom and practice in our parliament as is customary in all the parliaments across the British parliamentary system.

THE CHAIR: The hon. Member for Edmonton-Glengarry on the point of order.

MR. BONNER: Yes. Well, I appreciate the opportunity to respond to that point of order. I must say that the minister's department certainly took a great deal of time and effort to inform us on the sections of the bill, and certainly I agree with the comments that the hon. minister has said, that, yes, we do in fact agree with the bill, and we're certainly not proposing any amendments or changes. We're supporting the bill. We just had a few comments, and I would like that opportunity to comment on this, if I may.

So that being said, Mr. Chairman, and before the hon. minister rose on his point of order . . . [interjection] Yes?

THE CHAIR: That concludes your comments on the point of order?

MR. BONNER: That's correct.

THE CHAIR: Okay. On the point of order there's no rule or citation offered with respect to it. Certainly it is the custom and practice that the chair has experienced in 13-plus years; nevertheless, the hon. Member for Edmonton-Glengarry, as he says, has only a few comments to make, and perhaps we should hear them.

MR. BONNER: Thank you very much for that ruling, Mr. Chairman, and I will keep my comments very brief to keep in the spirit of the House.

Debate Continued

MR. BONNER: As I was saying, this particular book, *The Golden Province*, is a history of the province by Ernest Watkins. I'm sure most members in this House do not realize that at one time in this Assembly we actually had a minister of railways. We did, and it was Premier Rutherford* that also assumed that title as minister of railways. As I promised, I will keep my comments brief. The department certainly has done a very good job in the latest change in the way railroading is done in this province. Certainly with the number of branchlines that are no longer in use in this province or have been taken over by different operators than our major national companies that used to run the railways, there were requirements that had to be put in place. They have done an excellent job through consultation with all the various providers of these lines, and the

*See p. 1289, right col., para. 1, line 3

requirements that were necessary to have been fulfilled.

I would again want to thank the House for this opportunity to make those comments. Thank you.

[The clauses of Bill 28 agreed to]

[Title and preamble agreed to]

THE CHAIR: Shall the bill be reported? Are you agreed?

HON. MEMBERS: Agreed.

THE CHAIR: Opposed? Carried.

4:00

Bill 29 Intestate Succession Amendment Act, 2002

THE CHAIR: Are there any comments, questions, or amendments to be offered with respect to this bill? The hon. Member for Edmonton-Gold Bar.

MR. MacDONALD: Thank you very much, Mr. Chairman. It is also a pleasure to participate in debate in committee on Bill 29 this afternoon. Certainly this is a bill that has caused considerable interest throughout the province, and the hon. Minister of Justice has provided an explanation in this House regarding Bill 29. I believe it's at least adequate in its response to the Johnson versus Sand case of April 2001, ensuring that Alberta's Intestate Succession Act complies with the Charter of Rights and Freedoms.

The Charter of Rights and Freedoms has been discussed at length in this Assembly. Some hon. members of this Assembly may have significant difficulty – they certainly expressed that publicly – in that it was a rather I believe shameful document, but I don't think those remarks would be reflective of the Assembly and the members. It might be just targeted to one or two isolated members, Mr. Chairman, but certainly not to everyone, and this bill would be a reflection of that.

Now, Mr. Chairman, this bill also adds a definition of a personal partner to the Intestate Succession Act, and it also deals with a surviving personal partner and the recognition that they will receive the spouse's share under the act so long as there is no surviving spouse. Certainly at this time I believe that this act, as discussed earlier, will be compliant with the Charter of Rights and Freedoms. When we think of legislative leadership, I guess I could call it, as has been displayed here by the hon. Justice minister, I think we have to recognize the leadership that has been displayed here, because I believe that this will prevent or halt any further decisions to proceed to a different level of court on a matter of what is considered basic rights for every human being. It is a bill that one has to support.

With those remarks, Mr. Chairman, at this time I will cede the floor to another hon. member of this House. Thank you.

THE CHAIR: The hon. Member for Olds-Didsbury-Three Hills.

MR. MARZ: Thank you, Mr. Chairman. In looking at this and reviewing it over the past weeks, I find it difficult to speak to this bill without speaking about Bill 30 as well. I think the two are intertwined, and by dealing with Bill 29 first, I think we're putting the cart before the horse.

The bill speaks to amending a number of provincial acts to extend benefits and obligations to people involved in committed interdependent relationships, but it leaves it up to the courts to decide what is committed and what is not committed. Because there are no signed

agreements required, they're optional. No vow is publicly made as in a marriage relationship. So as I read this, it comes to me that it's attempting to make all types of relationships equal to or perhaps even more equal than marriage relationships in the fact that it doesn't require a written commitment or vows, and it leaves it to the courts.

Perhaps the minister would respond to some of my comments or questions. In section 3.2 it states:

If an intestate dies leaving a surviving spouse and a surviving adult interdependent partner,

- (a) the surviving spouse shall take no part in the intestate's estate, and
- (b) the surviving adult interdependent partner shall be treated for the purposes of this Act, except clause (a), as if he or she were the surviving spouse.

I'm not a lawyer, but just on the surface it would look to me that a surviving interdependent partner would take precedence over the intestate's spouse.

The other thing I've got a concern about is leaving it up to the courts without a signed agreement. What constitutes a legal interdependent partner? If you have two people that decide to share a room together for three years – it could be college students – and one came into an inheritance from his deceased parents and then got killed in an accident, although the relationship may be just that of roommates, it might provide an opportunity for the other roommate, whether it was a male/female, male/male, or female/female type of relationship, to claim that there was an interdependent relationship actually established but that they were keeping it secret. So then you'd have the issue before the courts to have to decide this. As I said, not being a lawyer, perhaps there could be a good case made for that particular thing, to have a former roommate decided by the courts to suddenly be an heir to an estate. If that's what the bill is proposing, I would certainly have problems with it.

4:10

I believe that it's just another step in normalizing all other types of relationships and granting them the same status as marriage between a man and a woman, and it would be unfortunate, I think, if that happened, because I believe that already marriage relationships have a degree of discrimination against them in government policies, such as benefits for seniors. If they decide to move in together, they no longer get paid the same rate they would as singles. They get reduced, so they're not being treated equally as married couples. I believe, from the scientific evidence of dealing with situations in my own constituency office with children from uncommitted couples, whether either from failed marriages or common-law relationships that have had children as a result, those types of situations seem to have more problems than the very committed ones. I don't seem to have any problems with people coming into my office from very committed married relationships and dealing with irresponsible parents that have left children to one or the other and not properly looked after them. It just seems like we're going down a path of eroding that institution of marriage instead of looking at ways to reinforce it as a government and recognizing that the best opportunities for children are with a committed father and mother, and that is through marriage.

So those are my general comments, Mr. Chairman, and if the minister would like to respond to some of the questions that were raised, I'd be happy to hear his response. Thank you.

THE CHAIR: The hon. Minister of Justice and Attorney General.

MR. HANCOCK: Thank you, Mr. Chairman. A couple of concerns have been raised with respect to Bill 29 coming forward now and the relationship between Bill 29 and Bill 30, and I would be the first to

suggest that it would be preferable to have the opportunity to deal with Bill 30 and not have Bill 29. Unfortunately, as I mentioned in second reading, we are under a deadline where the Intestate Succession Act, or portions of it, will become of no further force and effect at the end of the spring sitting of the Legislature or the end of June, whichever comes first, if we do not make amendments to the Intestate Succession Act. In making a determination about the contents of Bill 30, it was considered to be, and quite appropriately I think, important for Albertans to understand the implications of Bill 30, to have the time to understand that and have the time to determine how it might have implications for any relationships they might be in, and therefore to debate that in the fall. So unfortunate though it may be, we have to bring forward Bill 29 now and have it passed by the Legislature this spring in order to preserve the efficacy of the Intestate Succession Act.

I appreciate the comments that have been made by the hon. member, but it is necessary because it would be a worse situation not to have the Intestate Succession Act than to have the Intestate Succession Act amended by Bill 29. The hon. member referenced the comment in section 3 in 3.1 and 3.2: "as if he or she were the surviving spouse of the intestate." Again, the language is changed in Bill 30 in those precise sections to other, perhaps more appropriate language. The problem with using the language that's in Bill 30 in this bill is that you also have to amend a number of other acts such as the Administration of Estates Act and the Wills Act, which refer to the Intestate Succession Act definition of spouse. So in order to make the change that we need in order to keep the Intestate Succession Act alive – I understand the chair is looking over at the corner there at others who might want to participate in debate.

THE CHAIR: The chair would invite the four busy fellows in the back corner to withdraw from the Chamber and go out into the Confederation Room and carry on their lively and funny discussion there rather than drowning out your own Government House Leader.

The Government House Leader.

MR. HANCOCK: Thank you, Mr. Chairman. The point that I was making was that there are other acts which refer to "spouse" as provided for in the Intestate Succession Act. So we do not wish to redefine the term "spouse" in a manner we don't wish. We have to put language in the act for the time being, until Bill 30 comes forward, to say that if there's not a spouse, someone stands in the spouse's place. That doesn't make them the spouse, but it makes them stand in the spouse's place. That's the reason for the circuitous language here. It's unfortunately necessary if we don't want to amend all of the other acts, and we don't wish to amend all of the other acts until we deal with them in Bill 30.

With respect to the example of the two college students one of the things that we should put on the record, Mr. Chairman – and I think it needs to be stated over and over again – is that when people enter into relationships, they take on responsibilities. Sometimes they do that without knowing or making conscious decisions about what responsibilities they're entering into. There are court challenges right across this country on various acts and various definitions. For example, if an individual owns a house and decides that their boyfriend should move in with them, they may be unwittingly exposing themselves to a dower claim. That has not been determined as yet by the courts, but it could very well come before the courts and be determined. There may be people in our province who are exposing themselves to claims under the Dower Act and are not aware of it. They're not aware of the responsibilities they've taken on by entering into a relationship, by moving into a circumstance. All it takes is one person to challenge the act. So it behooves us to

clear up the law to make sure that the law is very clear for people, and Bill 30 will do that. Bill 29 will do it on a temporary basis with respect to the Intestate Succession Act.

We also have some experience with the courts in terms of defining these relationships, and while it is entirely possible, as the member suggests, that somebody could bring forward an unwarranted claim, make a claim about a relationship that they did not have, one of the things Albertans respect – we know this from discussions we've had; we know this from polling we've had – is the court's ability to make a decision with respect to when relationships exist and when they don't exist. That's a decision based on facts, the facts as found by the court and put forward. That relationship is based on a number of factors.

So it's not just a question of two college students or two people being lumped together because they happen to decide to share the same residence. There are other factors which have to go into it. There would have to be proof in the case of Bill 29 of a conjugal relationship. In the case of Bill 30 and more appropriately in terms of the broader context there would have to be proof of more than just the fact that the two people were living in the same house. We found such relationships in common-law situations already under the law, and the law has continued to be expanded and expanded. It behooves us to make sure that Albertans have a clear understanding of how the law might apply to them and when they might be able to access the law in order to deal with situations when the relationship comes to an end. That's really what we're talking about here. It's not creating relationships, but when a relationship comes to an end, how do you take care of the dependencies that have been created, and how do you distribute the property?

I hope that clears up some of the questions that the hon. member asked.

THE CHAIR: The hon. Member for Edmonton-Highlands.

MR. MASON: Thanks very much, Mr. Chairman. It's my pleasure to speak to Bill 29, a bill which has been a long time coming before this Legislature. Yesterday during second reading of Bill 29 the hon. Member for Edmonton-Centre deliberated on whether or not the minister should be congratulated for this piece of legislation. On the one hand, as the member observed, the minister has been forced to make these changes because of a court decision just over a year ago. On the other hand, this government has a track record of forcing gay and lesbian Albertans to challenge unjust laws in courts and before the Human Rights Commission. In the end the hon. member decided that congratulations were in order if only because the minister has not chosen to drag Albertans before the Supreme Court once again in a futile attempt to save patently unfair legislation.

The New Democrats, however, Mr. Chairman, cannot be so generous. It is not enough that the Minister of Justice is finally amending one piece of legislation more than a year after being told to do so by the Court of Queen's Bench. In her comments yesterday the hon. Member for Edmonton-Centre gave a fairly detailed account of the court battle that led to the decision regarding the Intestate Succession Act, so I won't say too much more on the subject other than to congratulate and thank Brent Johnson and his lawyer, Julie Lloyd, for their dedication and hard work in this fight. There is of course an entire community of Albertans who are involved in this struggle, but in this case Mr. Johnson and Ms Lloyd deserve special recognition.

4:20

The reality of why we are currently amending the Intestate Succession Act goes further than last year's Court of Queen's Bench

decision. In fact, the roots can be traced to the Supreme Court's decision in 1998 that sexual orientation should be read into Alberta's human rights legislation as protected grounds and the Supreme Court's May 1999 decision that same-sex couples deserve the same rights and obligations as their heterosexual counterparts. So really we have Bill 29 before us today because the Tories have finally understood what the rest of Canada has known for two years. It is no more acceptable to treat people badly, to exclude and marginalize them because of their sexual orientation than it would be acceptable to marginalize them because of their race or age or religious affiliation or level of income.

The strategy of this government regarding the obligations to gays and lesbians in Alberta has been to delay, delay, and further delay again. The government fought Delwin Vriend all the way to the Supreme Court, delaying the inevitable and necessary inclusion of sexual orientation in our human rights legislation. The government fought Brent Johnson in a spiteful attempt to exclude him from the protections guaranteed by the Intestate Succession Act. Let's be clear. While the government delays, real people lose out economically, socially, and emotionally. Real people, Mr. Chairman, suffer real discrimination.

Let's be clear on another point. While this government has stalled, delayed, and retreated, eight other jurisdictions, led by New Democrat governments in Saskatchewan, British Columbia, and Manitoba, have passed omnibus legislation to update their statutes and promote equality for their citizens. In Ontario alone over 60 pieces of legislation were amended and have been amended for nearly two years.

In Alberta two years after the M versus H decision and four years after the Vriend decision, what do we have? On the one hand, we have Bill 29, which is a patch. We have legislation that does the bare minimum to protect the Intestate Succession Act. On the other hand, we have a complex and unwieldy piece of legislative quicksand, that is bound to create more problems than it solves.

It's not my intention to debate Bill 30 here, but given that the minister intends to replace the patch we're currently debating with the provisions of Bill 30, I would like to raise some initial concerns. The first concern is that it's not a good way to approach legislation. The approach of the government in bringing forward Bill 29 and Bill 30 is an attempt to pretend that gays and lesbians don't exist in this province. It is an attempt to tell Alberta social conservatives: "Don't worry. This bill isn't really about recognizing the love and commitment in same-sex relationships. It's about creating economic contracts between two Albertans, preferably severely normal Albertans." In their attempt to placate one group of Albertans at the expense of another, the government has raised a whole new set of concerns. What if three sisters, for example, move in together and would like to form an interdependent partnership? Which two would be included and which one would be excluded? What would happen to the third person?

By creating the fiction of interdependent relationships, Mr. Chairman, we have opened a whole can of worms, that I think is going to create problems for the government and for the legislation. Do we expect that conflict of interest laws should be the same for spouses as they will be for interdependent partners? Bill 30, the companion to Bill 29, will produce a raft of unintended and unanticipated results. This is particularly ironic given the very simple results that the government should have been targeting. First of all, amend the 80 pieces of legislation that discriminate against same-sex couples. Second, give clear recognition of the validity of same-sex relationships.

It comes down, Mr. Chairman, to a question of political will and timing. This is a government that passed the very harsh and contentious Bill 12 in a matter of days and a government that uses

closure more than any other in this country. They clearly have no problem getting legislation passed when they want it. So we are left asking why it has taken four years to bring the smallest amount of rights to gay and lesbian Albertans when it took only four days to restrict the rights of teachers in Bill 12. Given this government's track record on issues of civil liberties, open debate, and inclusive democracy, perhaps it is not such a mystery. It's no wonder that a recent national poll showed that Canadians by a very wide margin, including Albertans, trust the courts more than Legislatures and governments to protect civil rights of Canadians. It's no wonder, and one of the main reasons is this government itself.

The New Democrats will support this legislation, Mr. Chairman, but we will not congratulate the government for doing now what it should have done years ago.

Thank you, Mr. Chairman.

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

DR. TAFT: Thanks, Mr. Chairman. I appreciate the opportunity to make some comments on Bill 29. I recognize that it's part of a larger plan of legislation that the government has. It's a plan of legislation that I expect, as it all unfolds, we will work with the government to implement. As a number of other speakers have commented, it's a plan and it's legislation that is long overdue. It seems to have been a painful birthing process, and it will continue to be a painful labour I'm sure for some of the members of the government, but we will do our best to ensure that justice is done and that human rights for everybody are respected. This is not about giving anybody special rights; this is about respecting everybody equally.

One of the strange things that always strikes me in these kinds of debates is how relationships end up being viewed. It's gradually come to me that long-term relationships are assumed to be all about sex. That's the great concern in this kind of legislation, that the fundamental basis of a relationship is sexual. Actually I think that what we need to be talking about and recognizing is that long-term relationships aren't about sex. They're about love; they're about caring. They're about caring for other people regardless of their gender, regardless of whom they may be. It's simply in a long-term relationship a matter of commitment, and that's what matters. That's what counts, and that's what we should recognize as a society.

There was a famous quote by Pierre Trudeau that the government has no business in the bedrooms of the nation, and I think that's true. We need to recognize that principle in law, and we need to recognize that everybody in a long-term relationship has some rights regardless of the gender of the people involved in that relationship. Relationships of the kind that are discussed here I think are about people making themselves complete as individuals. We are by nature social human beings. There's almost nothing more desperate than somebody who is enormously lonely, and there's nothing more sad than people who are isolated and left to themselves and are ultimately and fundamentally incomplete. I think that it's a basic drive of human beings to look for social companionship, to look for people with whom they feel that through a long-term relationship they can complete themselves.

So I think the basis of a long-term relationship is ultimately about love and fulfillment, and the sexual aspects of it in the long run are secondary, and I think we should regard them as secondary. Unfortunately, too often in these kinds of debates that principle is ignored, and we get all wrapped up in the supposed eroticism of relationships or the sexuality of them. I just think that's misguided.

4:30

When we're looking particularly at Bill 29, I think anything that

sorts out confused inheritance and estate issues is a good thing, and I think that we are moving in that direction with Bill 29. It's a step in the right direction there. It was forced on the government by the courts, as any number of observers have said, but finally the government has come around to address it.

So the fact that there will be more clarity and there will be a recognition of a broader range of relationships through Bill 29 I think is to be commended. For those reasons, I will be supporting this bill and looking forward to Bill 30 and the rest of the legislative program of the government to address these issues.

Thank you.

[The clauses of Bill 29 agreed to]

[Title and preamble agreed to]

THE CHAIR: Shall the bill be reported?

HON. MEMBERS: Agreed.

THE CHAIR: Opposed? Carried.

The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Chairman. I would move that we rise and report bills 28 and 29 and report progress on Bill 27.

[Motion carried]

[The Deputy Speaker in the chair]

THE DEPUTY SPEAKER: The hon. Member for Clover Bar-Fort Saskatchewan.

MR. LOUGHEED: Thank you, Mr. Speaker. The Committee of the Whole has had under consideration certain bills. The committee reports the following: bills 28 and 29. The committee reports progress on Bill 27.

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

HON. MEMBERS: Agreed.

THE DEPUTY SPEAKER: Opposed? So ordered.

head: **Government Bills and Orders** **Third Reading**

Bill 28 **Miscellaneous Statutes Amendment Act, 2002**

THE DEPUTY SPEAKER: The hon. Minister of Justice.

MR. HANCOCK: Thank you, Mr. Speaker. I move Bill 28, the Miscellaneous Statutes Amendment Act, 2002, for third reading.

As is the custom and tradition of Canadian parliamentary democracies, miscellaneous statutes are agreed by all parties ahead of time and should not require debate.

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

MR. BONNER: Thank you very much, Mr. Speaker. Just one note. In my brief comments that I did make to enlighten members of the

House of the rich history of railroads in Alberta, I mentioned that I thought Rutherford was the minister of railways, but in reviewing the case, the minister was John Boyle,* a young Edmonton lawyer and Liberal Member for Sturgeon.

Thank you.

[Motion carried; Bill 28 read a third time]

Bill 29 **Intestate Succession Amendment Act, 2002**

THE DEPUTY SPEAKER: The hon. Minister of Justice and Attorney General.

MR. HANCOCK: Thank you, Mr. Speaker. I move Bill 29, the Intestate Succession Amendment Act, 2002, for third reading.

Mr. Speaker, I won't dwell on the act, as we've talked both at second reading and committee about the need for and why we're proceeding with this act in advance of Bill 30, which we'll deal with in the fall. I did want to just respond briefly to the remarks by the Member for Edmonton-Highlands in terms of two characterizations. First, that anybody has been dragging their feet with respect to dealing with the issue. I for one do not believe that it's dragging one's feet or in any way inappropriate to do a complete and thorough review of the law to understand the philosophy behind the law and the underpinnings of the law before one brings forward amendments to the law. If that thorough and complete review has resulted in the fact that we have to make a minor amendment to one bill in order to keep it alive until the full debate can happen on Bill 30, then that is entirely an appropriate process. I would have preferred that we didn't have to, but we do have to in order to keep those sections of the law alive.

With respect to the comments that were made about trying to hide behind a broader definition, we should be I think quite proud of the fact that we can look at the whole concept of how society develops. We each as individuals have responsibility for how we live our lives, and it's not the government's responsibility to tell us how to live our lives or government's responsibility to tell us what kind of relationships we can have or not have. It is government's responsibility to make sure that when relationships break down and if parties have not taken care of their loved ones and their dependants, those loved ones and dependants have some access to fairness before the law. It is not for us to determine what type of loved ones or dependants they might be, but only that loved ones and dependants do exist in relationships.

Many of us would encourage the concept of married relationships in society as being a stable way to have families and to promote our society, but many other people live in different relationships, whether they're common-law relationships or same-sex relationships or relationships that have nothing to do, as the Member for Edmonton-Riverview mentioned, with the concept of sex at all. Quite frankly, the whole concept of personal relationships and the question that's here under the Intestate Succession Act has nothing to do with sex. It has everything to do with loving relationships, relationships where people share property and unfortunately where they haven't taken care of some of the essential details with respect to their own personal relationships before they die, and that's what we're dealing with in the Intestate Succession Act.

One thing I'd like to put on the record yet again, Mr. Speaker, that's very, very important for all of us to remember is that people should take care of their personal affairs, and then they don't need the law to do it for them. If they take care of their personal affairs and write a will, the Intestate Succession Act need have no applicability to them. A family member might still have access to an estate

*See p. 1285, right col., para. 10, line 5

through the Family Relief Act, which provides for those where people have dealt within their will in a manner which didn't take care of people who were dependent upon them, but under the Intestate Succession Act most Albertans avoid any need for the Intestate Succession Act to be applicable to them, and all Albertans can avoid it by writing a will. I would encourage all Albertans to do that because it is a far preferable way to avoid any dispute, to avoid any question about who gets property, to avoid almost all need to go to the court, and does it in a manner which is much fairer to the family, leaves the family intact, reduces any ability for squabble within the family, and is a much, much fairer way to leave your dependants and your loved ones when you go.

So while it's necessary for us to deal with the Intestate Succession Act this afternoon and to pass this amendment in order to keep it alive, I think it would be preferable if all Albertans were to take care of their affairs through writing a will, and I would encourage them in the strongest terms to attend to that right away and not wait for disaster to happen in their family or to a loved one.

[Motion carried; Bill 29 read a third time]

4:40

head: **Government Bills and Orders**
Committee of the Whole
(continued)

[Mr. Tannas in the chair]

THE CHAIR: I call the Committee of the Whole to order.

Bill 26
Workers' Compensation Amendment Act, 2002

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

MR. MacDONALD: Thank you very much, Mr. Chairman. This is again legislation that is going to take considerable time in this member's view to debate. It is unfortunate that we have the closure motions that are on the Order Paper today, not only for committee but also for third reading. When one considers the effort that has been made by various groups in the province, the two reports of significance that there were on the activities of the WCB, and various stakeholder meetings, it is unfortunate that we would have to use closure on this bill at two stages. However, I have a number of questions still outstanding, and the most disturbing thing is that again we are having a bill that is in my view going to allow too much discretionary power to the WCB.

Now, to the Human Resources and Employment minister. There are various sections here that are going to have to deal with the administrative penalties or the fines that can be given out by the WCB, by the SIU. Mr. Chairman, it is interesting to note that there has been this notion that they're only for employers, these administrative penalties, and if the hon. minister could clarify this, I would be very, very grateful.

[Mr. Lougheed in the chair]

Certainly there are offences here listed in the new section 152.1(1). When the board "is of the opinion that a person has contravened section 19," which deals with an offence, a person who, for instance,

- (a) fails to make prompt and explicit answers to an inquiry made under section 18 . . .
- (b) fails to comply with a notice given under section 18 . . .
- (d) otherwise obstructs, hinders or interferes with the Board, or a

person acting on its behalf, in the making of an investigation under section 18

is guilty of an offence.

Now, that individual or that group of individuals would be eligible for an administrative penalty.

You can go on to 33(1), which is notices by employers. How much of a problem is this currently for the WCB regarding notices by employers? We can go here a little further, Mr. Chairman, down to section 87, and that's on transportation of injured workers. Now, again, how often has there been noncompliance in regards to this?

Section 103 is the section that's going to deal with the statement of wages by employer, section 105 would deal with an employer commencing business, section 106 deals with an employer ceasing to be an employer, section 108 is dealing with employers' records, section 109 deals with persons who might be employers, and section 110 deals with separate statements for each industry. Section 138 deals with board order ceasing to employ workers, section 139 deals with unauthorized deductions, and section 140, agreements to waive act void, and posting of notices, section 145.

Now, if individuals, Mr. Chairman, assume that these are administrative penalties that are going to be levied on employers, then that's the end of it. But I would like an explanation, and there have been some assurances given throughout the province that these administrative penalties that can be levied by the special investigative units do not apply to employees.

Section 147(3) on confidentiality of information. This can be reviewed "notwithstanding subsections (1) or (2) of section 34(4), where a matter is being reviewed or appealed under section 46," which is the section on panels, "or 120" to deal with the review of the decision by either the current claim services review committee or some other alternate means. But these administrative penalties — is this not going to force injured workers to keep everything secret in their dealings with the WCB? We all know what the Canadian Charter of Rights states about freedom of the press and the media's ability to report. Will this section in this amended act prevent an injured worker from going to the press with their story? We have to consider this.

[Mr. Tannas in the chair]

Now, there are members in this Assembly that are shaking their head at this member's interpretation. But I think that is wrong, and it is further intimidation, and the potential for abuse by the WCB towards injured workers could increase if this is the case. Why? The culture of denial that was expressed so eloquently by Justice Samuel Friedman is certainly continuing with this section.

Section 151(1) is also dealing with the person and that person certainly in these cases could be an employee. Why do we need this law or this rule that will allow and increase the powers, give this special investigative unit sweeping powers? I cannot accept this.

4:50

If we could go even further, into the new section 152, we're going to add after subsection 4:

(4.1) A person who pays an administrative penalty under section 152.1 in respect of a contravention may not be charged under this Act with an offence in respect of that contravention.

Now, that tells me that the WCB does not want this to go to court and risk full public disclosure, and as I said earlier in second reading, I don't believe that this is right. Are we giving the WCB board here the authority to level Criminal Code offences? Is that what we're doing with this section? I can't understand why we need this.

There have been many groups that have expressed frustration.

There are many groups that have contacted this member and have stated that they are not going to support this legislation, because all these legislative initiatives were not part of the discussions. I would like to know, Mr. Chairman, how this happened. How was this bill drafted, and why are so many people now claiming that all these discussions took place? There was never any mention of this in the review process.

Now, the Industry Task Force Association in their analysis and comments on Bill 26 stated that before they could support this bill, "the following are amendments to Bill 26" that have to be made. In section 13.1(1) they question that "sub-section 8 was removed during the final meeting." What meeting they're referring to I cannot say, but it's their view that this "should not be included in Bill 26." They go on to say that subsection 9, Mr. Chairman, in the same section 13.1(1) "was not discussed during the review process and should not be included in Bill 26." Those sections would be concerning the Appeals Commission.

Subsection 8 is quite interesting. I would have to ask the Legislative Assembly for guidance on this. Can favourable claims also be readdressed? Can that be reversed where there's a claim in favour of the injured worker? Could that also be readdressed?

Now, section 26(1):

Sub-section (1)(a) with regards to increasing the 12 months to 24 months was not discussed during the review process. The [Industry Task Force Association] does not agree with the increase because Section 26(2) does not confine a worker or dependant to the 12 month time frame.

That's another issue they had.

Now section 33(1), Mr. Chairman. Again the Industry Task Force Association states:

except in those cases where only first aid, as determined by the Board, is rendered, . . . was not discussed during the review process. Workplace Health and Safety has jurisdiction over the First Aid Regulation for the province. The WCB should not be defining first aid.

That is another concern of this Industry Task Force Association.

As was expressed earlier, section 151.1 – and this is the wide-sweeping powers again: "Sub-sections (1), (2) and (3) were not discussed during the review process and should be removed from Bill 26." I would be very grateful for an explanation of this by the hon. minister.

Now section 152. The Industry Task Force Association's comments regarding this:

Sub-sections (1) and (2) with regards to increasing . . . fine of not more than \$25,000.00 . . . a further fine of not more than \$10,000.00 for each day . . . was not supported during the review process. The concept of increasing fines to gain compliance in this case is not justified. To the best of our knowledge the WCB has never enforced the present legislation. The rationale of the increasing fines is not supported by any data which suggests that there would be an increase in compliance with the increase in fines. The [Industry Task Force Association] does not support the increase in fines.

Section 152.01. Again, "this section was not discussed during the review process and should be removed from Bill 26." This deals with:

Where a corporation commits an offence under this Act, any officer, director or agent of the corporation who directed, authorized, assented to, acquiesced in or participated in the commission of the offence is guilty of the offence and is liable to the punishment provided for the offence, whether or not the corporation has been prosecuted for or convicted of the offence.

Now, this Industry Task Force Association feels that this was not discussed, the administrative penalties.

Section 152.1: "Sub-section (1), (2), (3) and (4) with regards to the increase in fines was not supported during the review process . . .

The [Industry Task Force Association] does not support the increase in fines."

Now, the Industry Task Force Association goes on to say: "In conclusion, if Bill 26 is not amended as per the cover letter and the above, the ITFA cannot support Bill 26." That would confirm to this member that as good as this consultation process was, perhaps the spirit and the intent of the various reports are not reflected in this bill.

Mr. Chairman, I at this time would like to propose an amendment to Bill 26, and I would like to have one of the pages circulate the amendment, please, first a copy to the chair and respectively to all members. This amendment is to move that Bill 26 be amended in section 5 in the proposed section 7(1) by striking out "3 months" and substituting "1 month." I believe this amendment shall be referred to as A3? Is that possible, Mr. Chairman? Yes.

5:00

This amendment as proposed, amendment A3, would certainly be a reflection of what was mentioned earlier in debate by the hon. Member for Calgary-Egmont, who said that there must be a continuous monitoring of the progress of this bill. I thought the hon. member was absolutely right, because with all these changes that are going to be going on with the WCB, regardless of whether this member agrees with them or not, Mr. Chairman, it would be more beneficial if the WCB board of directors met more often, not less often. It astonishes me why the board of directors – there could be the possibility of them meeting quarterly or four times a year. In respect of what the hon. Member for Calgary-Egmont said, I don't think the quarterly meetings would be adequate to monitor the progress of the WCB. It is a huge corporation with millions and millions of dollars in the budget, and there certainly are many, many concerns. For instance, if we look at the premium increases, that's only one concern of employers.

Mr. Chairman, in conclusion, I would urge all members at this time to support amendment A3.

THE CHAIR: The hon. Government House Leader.

MR. HANCOCK: I'd like to move that we adjourn debate on Bill 26.

[Motion to adjourn debate carried]

Bill 27 Appropriation Act, 2002

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

DR. TAFT: Thank you, Mr. Chairman. I appreciate the roundabout way in which I'm getting the opportunity here to speak, the final comments we can make on the massive Appropriation Act, Bill 27. This in many ways drives the whole legislative timetable for the spring session. There's simply an immense amount of money involved in this legislation. I think it is the one that our constituents, all of them, want us to be the most thoughtful on and to express the most comments on. So I'm going to take just a few minutes here to put some of my wrap-up thoughts on this piece of legislation.

I need to again hammer home the concern – and it just grows and grows and grows; it grew again today with some comments that came out in question period, and it came out yesterday even in Public Accounts – that the budget process of this government is out of whack, it's out of line, and it's out of date. We have a situation where the government through its quarterly budget updates and so on I think is in fact allowing itself to get buffeted and rearranged and

redirected every three months. It gets pushed off its priorities far too easily because of the nature of the budgeting process, and I'm certain that that's going to happen again. We saw that happen over the last year, over the last few years, and I'm sure other MLAs are hearing this same concern. Municipalities are saying: what kind of budget process is this? School boards: what kind of budget process is this? Regional health authorities. Heavens, we're still in a situation now, six weeks into the fiscal year, where the regional health authorities are trying to sort out their budgets. It's a process that needs to be completely revamped.

I've thought about how we've got to this position and what our inspiration is. What is the government's inspiration for this particular approach? I think that in many ways the government has been influenced by the budgeting practices of the petroleum industry. The petroleum industry is an industry that by necessity turns itself on and off on a few weeks' notice. It can crank up when the price of oil or gas goes up, and it can crank down very, very rapidly. Because that industry is so important to this government, to this province, we have taken on the culture of that industry in our budgeting process, and I think that's a profound mistake. You don't see other businesses behaving that way, and you shouldn't see governments behaving that way: cranking things up, cranking them down, cranking them up, cranking them down month by month, quarter by quarter, year by year. It is no way for us to be managing the wealth of this province and the budget and the finances of this government, and I strongly encourage the government to reconsider the way it has handled and does handle its finances.

I'm on the record many times, but I repeat this. If I'd had the chance to respond to comments from one of the government members earlier in the afternoon – the question came up: well, if we want to stabilize things and spend more money, where are we going to get that money? We should, I believe, reverse the decision to go with a flat tax. That decision has cost the coffers of this Treasury over a billion dollars, and it has fueled the roller-coaster ride of finances that we're stuck on now. Every time things go up or down, we're following like a roller coaster. The most reliable, predictable source of income for any government in the developed world is income tax. It's steady. It doesn't go up and down particularly rapidly in the way that corporate taxes go. It certainly doesn't go up and down at all in the way that royalties go up and down. Yet what have we done? We have shrunk that basis of our income to a dangerously low level, and I am not at all in isolation in making those comments. Indeed, I know right-wing economists who have said the same thing.

We have got ourselves into a difficult position with that decision. We have also got ourselves into a position of profound injustice. We are in a situation . . . [interjections]

THE CHAIR: Hon. members, if you wish to speak, please give the speaker the courtesy that you would like to have for yourselves and speak in your turn. Right now it's Edmonton-Riverview, not an assorted group of others.

DR. TAFT: Thank you, Mr. Chairman.

The other concern I have with the flat tax is that it is fundamentally unjust, and when we combine the flat tax with the health care premiums, which by any other definition is a tax, we are now in a province where the highest percentage tax is paid by the working poor, and that is just unfair. Why do we have people who are working full time and earning \$30,000 or \$40,000 or \$50,000 a year paying a higher percentage of their income in taxes than people making \$200,000 a year? It is regressive, it's wrong, and we should reverse it.

I want to make a number of other points here, and I'll just run through them quickly so that the hon. Member for Edmonton-Highlands can have a couple of minutes before we adjourn from committee. The way we've handled Children's Services in this budget I think is shameful, and in our budget process I think it's shameful. The fact that we are at this time reducing or tightening up preventive children's services when, if anything, we should be expanding that expenditure is just craziness. We're short-term there to the point of being self-destructive, and I think that's very bad practice.

5:10

Municipalities have expressed to us in no uncertain terms that they cannot manage under the kind of budgeting practices that we have now. There's not enough money in this budget to allow the municipalities to fulfill their responsibilities. Health care premiums have gone up dramatically, and there are indications that if the Mazankowski report is followed, they will go up even further, a tax grab that hurts the working poor the worst. It should be reversed. As my colleague from Edmonton-Glenarry pointed out, there are only two provinces in this country with health premiums, and we should ensure as soon as we can that there is one, and that would be B.C.

So, Mr. Chairman, I have many grave concerns with Bill 27. I have many grave concerns with the entire process through which we arrived at Bill 27. I hope that the next time we're up here debating an appropriations act, in 2003, we have a very, very much improved system on how this is handled so that we can vote as legislators knowing what the business plans of the health authorities are, knowing what the needs of the school boards are, and not facing a situation which is inevitable today, where just weeks or months from now there are going to be changes to the budget. What's the purpose of this?

Thank you, Mr. Chairman.

THE CHAIR: The hon. Member for Edmonton-Highlands.

MR. MASON: Thank you very much, Mr. Chairman. I appreciate the hon. Member for Edmonton-Riverview ceding the floor so that I could have a couple of minutes. I would like to express my disappointment with the manoeuvres this afternoon of the Government House Leader, which have really precluded a lot of time for debate on this \$18 billion appropriation bill. It looks like I'm only going to get about two minutes to talk, so that's about \$9 billion a minute.

I do want to talk about some of the issues. The main issue is that I believe this budget is the chickens coming home to roost for a whole set of misguided, overly fiscally conservative, hawkish even, policies that the government has knitted around itself. It's painted itself into a corner on the whole budgetary mission: the ridiculous debt reduction policy of this government, which requires so much of the money to go toward debt reduction; the repeated policies of deliberately underestimating revenue of the government so that it looks like there's no money at the start so that they've got every excuse to cut every program they want to cut and do anything they want, and then they look like financial geniuses at the end of the year because they've got billions of dollars in surplus. That is not genius at all; that's just smoke and mirrors.

The flat tax that the government has brought in trims off a vast amount of income tax paid by the wealthiest Albertans and gives them great tax cuts but does very little to benefit the majority of Albertans who work for a living. The continuing emphasis on corporate income tax cuts at the same time as they're bringing in so-

called nontaxes like increases in smoking, health care premiums, and so on hurts the working families. They're continuing on the backs of the working people of this province to cut corporate taxes. They have become, as the Member for Edmonton-Riverview has indicated, overly dependent on oil and gas revenue, which is extremely volatile.

So we see the spectacle this session of the minister cutting children's preventive services, one of the best investments a government can make, because the price of oil and gas is less than expected. You see the Finance minister running around in a very frightened fashion, cutting and hacking, taking a percent off every department, because the price of oil and gas is less than is expected and she's afraid that if she runs a deficit, she's going to go to jail. You know, we see the increasing dependence on lottery revenues, over a billion dollars of revenue, and again that's a tax on people who can least afford it; it's an attack on vulnerable people.

So, Mr. Chairman, I am completely opposed to Bill 27. I talked as fast as I can, given the government's disregard for the financial accountability that this Legislature provides.

Thank you.

THE CHAIR: Under Standing Order 61(4) I must put the question proposing the approval of the appropriation bill on the Order Paper for consideration by the Committee of the Whole. So we have for our consideration, then, Bill 27, Appropriation Act, 2002.

[The clauses of Bill 27 agreed to]

[Title and preamble agreed to]

THE CHAIR: Shall the bill be reported? Are you agreed?

SOME HON. MEMBERS: Agreed.

THE CHAIR: Opposed?

SOME HON. MEMBERS: Opposed.

THE CHAIR: Carried.

The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Chairman. I would move that the committee rise and report Bill 27 and report progress on Bill 26, such as it may be.

[Motion carried]

[The Deputy Speaker in the chair]

MR. LOUGHEED: Mr. Speaker, the Committee of the Whole has had under consideration certain bills. The committee reports Bill 27. The committee reports progress on Bill 26. I wish to table copies of all amendments considered by the Committee of the Whole on this date for the official records of the Assembly.

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

HON. MEMBERS: Agreed.

THE DEPUTY SPEAKER: Opposed? So ordered.

The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Speaker. I move that we adjourn until 1:30 p.m. on Monday.

[Motion carried; at 5:18 p.m. the Assembly adjourned to Monday at 1:30 p.m.]

