

Legislative Assembly of Alberta

Title: **Monday, March 3, 2003**

8:00 p.m.

Date: 2003/03/03

[Mr. Shariff in the chair]

The Acting Speaker: Please be seated.

Hon. members, before I recognize the hon. Member for Calgary-Cross, may we briefly revert to Introduction of Guests?

[Unanimous consent granted]

head: **Introduction of Guests**

The Acting Speaker: The hon. Member for Red Deer-North.

Mrs. Jablonski: Thank you, Mr. Speaker. It gives me great pleasure to introduce to you and through you to members of this Assembly members of my family and a friend. Sitting in the members' gallery is my baby girl, Krystin, and she's the mom of my granddaughter Taiya Jablonski. With them is Ian Moon, a friend of the family. They are here to hear the debate tonight on Motion 502. Would you please stand and receive the warm welcome of the Assembly.

head: **Motions Other than Government Motions**

Family Employment Tax Credit

501. Mrs. Fritz moved:

Be it resolved that the Legislative Assembly urge the government to enhance the Alberta family employment tax credit to include all children in a family in order to bring equality between families with three or more children and families with two or less children.

[Debate adjourned February 24: Mrs. Fritz speaking]

The Acting Speaker: The hon. Member for Calgary-Cross.

Mrs. Fritz: Thank you, Mr. Speaker. In closing debate on Motion 501, as I only have about three and a half minutes left, I would like to refer to the Speech from the Throne delivered by Her Honour the Honourable Lois Hole, Lieutenant Governor of Alberta, on February 18 of this year. On page 2 it is written:

This government's highest priority must be to secure a bright future for children and youth. The government will demonstrate its commitment to that priority by undertaking a range of initiatives to ensure that Alberta's most precious resource, its children, is protected and enabled to develop to its fullest potential.

Mr. Speaker, Mr. Tom Lipp, who is a constituent of Calgary-Cross I referred to in earlier debate, stated in a letter dated August 1, 2001, the reasons why the structure of the Alberta family employment tax credit must be changed.

I would like to recommend that the cap of 2 children per family be removed for the following reasons:

1. This cap disadvantages families with three or more children. Such families already have a greater financial struggle, and would make good use of any extra funds from the [Alberta family employment tax credit].
2. The removal of this cap would be in keeping with the family friendly policies of the Alberta Government.
3. The removal of this cap would be a minor contribution to strengthening Alberta's future workforce.
4. The associated implementation of such a change would be relatively simple . . .

I appreciate Alberta's leadership's desire to strengthen families.

Mr. Speaker, I now call for the question.

[Motion Other than Government Motion 501 carried]

Constitutional Reform

502. Mrs. Jablonski moved:

Be it resolved that the Legislative Assembly urge the government to investigate and implement steps to strengthen Alberta's position within Confederation.

The Acting Speaker: The hon. Member for Red Deer-North.

Mrs. Jablonski: Thank you, Mr. Speaker. Thank you for giving me the opportunity to introduce Motion 502 to the Assembly today. Motion 502 is designed to be a conduit through which we in the Legislature can bring some of the concerns that we've been hearing from my constituents in Red Deer-North and all of our constituents to public debate.

In the throne speech delivered by our beloved Lieutenant Governor, Her Honour the Honourable Lois Hole, we heard:

Albertans want to be full and equal partners in Canada, but true partnership is only possible when all parties are respected and valued for what they bring to the table. Alberta's ability to be a partner in Canada is compromised by the current federal government, which . . . does not listen to the people of this province.

The response from the federal government to these comments in our throne speech was a very inappropriate, condescending letter from the federal Minister of Intergovernmental Affairs. His letter was, in fact, proof positive since it completely missed the point made in the throne speech that the current federal government not only does not listen to the people of this province but is clearly incapable of hearing them.

Mr. Speaker, you know as well as I do what some of these other concerns are. The Kyoto protocol continues to be of great concern to Alberta. The federal government has ratified Kyoto without meaningful consultation with the provinces. We know that Alberta will continue to do everything in its power to protect the economy and make sure that provincial control over our resources and the environment is respected before it is too late.

Another major concern is the continued bungling of the gun registry. Gun laws in Canada were among the strictest in the world. Proud gun owners registered their handguns, carried permits where needed, locked up all their guns and ammunition in separate areas, and used trigger locks. They obeyed strict regulations about semiautomatics and agreed with the laws that did not permit ownership of automatic weapons. But when Ottawa demanded the registration of every gun in Canada, including the old flintlock that hasn't fired in 50 years and hangs over your fireplace, westerners protested in large numbers. Even a challenge at the highest level could not make a difference, and now, when it was first estimated to cost around a million and a half dollars for the registry, we are facing over \$1.4 billion in costs. When my husband and I were in Miramichi, New Brunswick, this summer, home of the federal gun registry, my husband was tempted to give the same salute that Prime Minister Trudeau gave to western Canadians.

Let me put the cost of \$1.4 billion in perspective for you if you find it hard to imagine what \$1.4 billion really means. The entire Canadian armed forces budget is \$1.2 billion. One point four billion dollars for a useless gun registry and \$1.2 billion for the armed forces. Imagine what \$1.4 billion could do for our ill-equipped, understaffed, and underfunded armed forces. They might even be able to afford to replace the aging Sea King helicopters with something as nice as the two new jets that the Prime Minister bought for himself.

Another concern is the Canadian Wheat Board. I was born and

raised in Ontario, and like most good Canadians in Ontario I had no idea what Albertans were complaining about until one day I was in the hockey arena. Thank God for hockey, because I can't think of anything else that bonds Canadians together more than our hockey teams. I know that the majority of Canadians were glued to their television sets a year ago watching our two great Canadian teams, the men's and the women's, win gold medals in the 2002 Winter Olympics. It was a moment in time when all Canadians felt the same. Thank God for hockey, loonies, and Trent Evans.

But getting back to that day when I was in the Innisfail arena watching my boy play hockey, I stood next to a farmer. I mentioned that I was originally from Ontario, and we got to talking. He told me that things weren't really fair for western farmers. When I asked him why, he told me that he could sell a bushel of wheat cheaper to a farmer in Ontario than he could to his own neighbour. Well, I found that hard to believe, but it's true. In fact, it's so true that a western farmer will even get arrested and thrown into jail if he takes a bushel of wheat across the border and donates it to a 4-H club. So, Mr. Speaker, can anyone here please explain to me why western Canadian farmers have to sell their wheat to the Canadian Wheat Board but farmers in Ontario and Quebec don't?

Well, Mr. Speaker, these are just a few of the concerns that Albertans have been worried about. I don't know how many of our good, law-abiding citizens became federal criminals on January 1 simply because their guns didn't get registered. I wonder: how many guns did the Hell's Angels register?

Mr. Speaker, we haven't mentioned other major concerns like health care or Senate reform. Alberta has two elected Senators-in-waiting, Bert Brown and Ted Morton. These are the elected choices of Albertans, yet neither has been appointed to the Senate. In health care the Mazankowski report for the province of Alberta offers practical measures for the delivery of health care while the federal Romanow report has recommendations that are based on what Romanow thinks Canadians want.

On September 1, 2005, Alberta will celebrate its 100th anniversary in Confederation. We will be singing and dancing in the streets as we proclaim our Canadian citizenship, which makes us all proud. Just what does Confederation mean? In a confederation states retain their original sovereignty while delegating a limited number of powers to the new central power, which is a creation of the states. It sounds like we need to take a good look at just what has happened in the last 100 years. Maybe it's time to negotiate a new deal. What applied 100 years ago does not necessarily apply today. Our province and our country have evolved, and it's time to make this province and all provinces stronger within our country of Canada.

Indeed, Mr. Speaker, if we want to avoid separation, then we had better find a way to achieve ownership of what is rightfully ours. Not only is it important for Alberta to strengthen its position in Confederation, but it's important for all western and Atlantic provinces as well. If Albertans chose to quit fighting and accept the Prime Minister's plan of doing nothing, the final outcome is inconceivable.

The outcome for the west in the 21st century has already happened to the Atlantic provinces in the last century. When they entered Canada, they were vibrant, growing societies. The Maritimes were British North America's industrial heartland. They boasted a strong, world-class trading economy, including a dynamic and growing financial sector. The Maritimes needed trade with England to keep their economy running, but after Confederation they had trade walls built around them, and central Canada became their only major market. Their industry was bought up by corporations from Upper Canada, and when it was time to reinvest, they built factories in Upper Canada, where the population was. The Maritimes have now

become so dependent upon federal infusions of cash that they have no choice but to sustain the existing system. This is what will happen to the west if we do not act immediately. If you doubt this, just think about Saskatchewan's position today. People are leaving the province every day. Most of them are headed for Alberta. Its agricultural industry is already forgotten by Ottawa and trying not to be too alarmed by the mismanagement by Ottawa of native concerns in British Columbia.

8:10

Before it's too late, Alberta must take steps to strengthen its position within Confederation. We must be able to control our own destiny, and by taking the necessary steps, we can lead the way for other provinces. A union of strong provincial governments taking care of their legitimate jurisdictions under the Constitution of Canada will only make Canada stronger. This is a position that Quebec has argued for years. In its position paper released in January 2001, the Quebec Liberal Party stated:

The autonomy of the two orders of government constitutes the very essence of federalism. That autonomy is essential to the survival of our federation. [It] is the only thing that can help maintain it in the long run.

It's time for Alberta to take control of areas that are fully within its existing constitutional authority, areas that we have unwisely allowed Ottawa to run in whole or in part. We should, like Ontario and Quebec, consider running our own police force, with one provincial police academy of excellence. We should control our own pension plan and our own taxation system. We should force Senate reform back on the national agenda. Until we take control of our rightful constitutional powers, we will never be able to limit the extent to which an aggressive and taxation-hungry Ottawa ignores our interests. Mr. Speaker, there will be a cost to setting up the operation of a police force or a pension plan or the collection of our own taxes. Will this price be a price that Albertans want to pay, and if Albertans want to move in this direction, would they be willing to use the heritage savings trust fund to pay the cost?

There are Albertans who are talking about separation. I want those Albertans to work with us to build a strong Alberta inside the Canada that our Fathers of Confederation meant it to be. I respectfully request, for the sake of all Albertans and for all Canadians, that members of this Legislature support Motion 502 urging this government to take steps to strengthen Alberta's position in Confederation. I know that the majority of Albertans share a strong belief in Canadian unity and would do nothing to compromise it, but, Mr. Speaker, to do nothing is to compromise Canadian unity. Please support Motion 502.

Thank you.

The Acting Speaker: The hon. Member for Edmonton-Ellerslie.

Ms Carlson: Thank you, Mr. Speaker. I like the Member for Red Deer-North, so I have to say that I'm very surprised that this is the position she came out with in a motion that I thought had very honourable intent. I expected her to act in the role of mediator or to say: "Just a second. We have to think about how we strengthen Alberta's position within Confederation by working co-operatively and resolving differences." What do I get? I get the same rant from her as we get from the front bench of this government. I thought that what we were going to see here this evening was a private member on the government side who would be looking for ways to strengthen Alberta's position in a positive fashion.

Dr. Taylor: You were wrong as usual, Debby.

Ms Carlson: Well, you know what? It's interesting that the Minister of Environment would like to heckle across the floor but isn't interested in getting involved in debate. I challenge him to stand up and put his concerns and comments on the record for a change.

Mr. Speaker, when I listen to what Albertans have to say, I have to tell you that I was as surprised as the rest of Alberta with the kind of rant that the Premier recently came up with, and we saw that various media outlets had a really tough time finding people who even knew what the heck he was talking about. When I listen to Albertans, here's what I hear from them. I hear them saying that they believe they are Albertans first but foremost patriotic Canadians, that there is always a way to . . .

Dr. Taylor: Come to my constituency.

Ms Carlson: Well, you know what? There goes the Minister of Environment again, and let me tell you that I have been recently in his constituency, and I found a lot of people there who support being Canadian.

Dr. Taylor: You met with the two Liberals; that's why.

Ms Carlson: No, no. I met with a lot more than the number of Liberals that are in that area because I tell you: not too many Liberals down there. But there are a lot of people who supported this member last time who aren't too happy with the actions of his government this time. So we're seeing that as a lot more fertile ground than what it has been in the past, and don't worry; we'll be there next time.

Mr. Lukaszuk: Where are you going to borrow the money from to get there?

Ms Carlson: Don't worry about that, Mr. Speaker. We got another one who thinks he's . . . Didn't you learn your lesson this afternoon? You're going to pay a high cost for that particular speech. Perhaps you'd like to get on the record again this evening.

The Acting Speaker: Hon. members, it would really help if the person who has been recognized to speak would speak through the chair, and that would prevent dialogue or debate that's going across the floor here.

The hon. Member for Edmonton-Ellerslie.

Ms Carlson: Thank you, Mr. Speaker. It's because they are so provoking and so wrong that I'm challenged to debate across the floor with them.

What Albertans tell us, Mr. Speaker, is that they believe that Albertans desire to protect the unique benefits they enjoy as Albertans and that to do so, they want to maintain a strong provincial government but within a federal umbrella. As I was listening to the Member for Red Deer-North with her extraordinary comments, I listened to her say that we should have our own provincial pension plan, and the thought that ran through my mind was: oh, yeah; these guys would sell off the heritage savings trust fund to fund it, and then they would mismanage it just like they did with the electricity deregulation, which has only cost us \$9 billion out of our own pocket so far. And what does she say next? That, yes, maybe Albertans would like to use the heritage savings trust fund to pay for the cost. Well, that's an interesting statement.

I also have to comment on the concept of a provincial police force. [some applause] Well, once again the Minister of Environment supports something without getting on the record, so I'll put it on the

record for him. There are a lot of Albertans who like the RCMP doing the work they do within the province and believe that they do a very credible job and that they raise the standard of policing to a level that is the envy of many jurisdictions globally. I'm a little concerned that this province would think that they could duplicate the training and the resources and the kind of infrastructure that's already existing within the RCMP and is, in fact, a part of the heritage of this country for a provincial police force. I'm sure that would be an interesting debate in this Legislature, and I look forward to seeing that at some point, but I certainly won't support that particular motion, nor would I support selling off the heritage savings trust fund.

You know, Mr. Speaker, if we take a look at the record of Alaska and Alberta in terms of funds like that, the Alaska fund and the Alberta fund got started in the very same year. They got started with the very same amount of money, and what has happened subsequent to that is that Alaska has annually been able to pay a dividend out to the people who are resident in Alaska. At the same time, they have been building the fund to an incredible amount of money now. It's well over \$20 billion. What's happened to our fund? Through the mismanagement practices and the lack of inflation-proofing, we see that fund dropping steadily. It hit a high of \$12 billion. Now it's dropping, and did you ever see a red cent from that fund? I certainly haven't seen one.

Mr. Herard: Well, where have you been?

Ms Carlson: Where have I been? I've been watching the money slip through our fingers by doing a lot of things that weren't viable for a provincial government to be in over the years such as funding friends in different companies. That is not a good use of money.

An Hon. Member: How many years ago?

Ms Carlson: Well, it was while a lot of this particular front bench was still elected, and certainly the Premier was at the cabinet table, making those decisions at that particular time. So it isn't a new government we see here; it's the old government dusted off and shaken up a little bit. The good news is that . . .

Dr. Taylor: Ty is not that old, Debby.

Ms Carlson: Let him speak for himself, Minister of Environment. Maybe he needs dusting off too. Are you speaking for yourself as well? No. You only came in in '93, so you just got the tail end of those decisions.

There have been some good decisions made on the heritage savings trust fund recently, and that is to have it independently managed, and I certainly support that. I hope to see that fund grow. I do not hope to see a reversal of what has become a more positive trend with regard to the fund by these kinds of concepts that come forward be they from private members or on a government members' day.

8:20

We feel, Mr. Speaker, and the majority of Albertans when polled, regardless of who polls them – whether it's the government or whether it's media stations or whether it's think tanks – think that talk of separation is a poor signal to the rest of Canada and to the citizens of Alberta. They don't support it. This government has a tendency to fan the flames of separation when they want to divert attention from some of the real issues that we're dealing with in the province, and it's very disappointing to me to see this motion here in front of us presented in the fashion that it is.

So I reverse my earlier decision when I came into here thinking that I would be voting for this motion. I certainly will not be.

The Acting Speaker: The hon. Member for Vermilion-Lloydminster.

Mr. Snelgrove: Mr. Speaker, it's only Monday, and we've become an unruly mob. I'm looking forward to talking about this. I think that if you go back to read the title of the motion, it says: strengthen Alberta's independence within Confederation. Yet separation seems to be what the topic's become, and quite honestly in many parts of Alberta that's what it has become because we haven't had the courage to talk about Alberta as a strong province within Confederation. In fact, we haven't had the courage to talk about all the provinces positioned in a country, equal partners, strong, moving responsibility for things that are best left to local issues to them.

I can use the example of a family that raises a child or several children. You bring them up as good as you can. You get them an education. Hopefully they can get a job, and they move out on their own. They become an independent family in your community or in a neighbouring community, equal to you, still working together maybe for the health of the grandparents or sharing a cottage at the lake, but they become independent, and with the independence comes responsibility for the issues that surround a family. Well, we're just about a hundred years old, Mr. Speaker, and I think it's time that the federal colonial attitude started to reflect that we've become a mature province and we can handle issues in a Confederation best left to the lowest level of government we can.

I think the hon. member was right when she said that we have to keep the idea that there's only one taxpayer, there's only one country. Alberta, by an example, is starting the process of showing that local government is probably the best, most reflective level of government there is. The closer to the taxpayer, to the person providing the service, you can be, normally the more bang for the buck you get, and the better chance of solving whatever particular crisis or situation you're in happens to be municipal government.

Now, we can't sit here and stamp our feet and blame Ottawa for all our troubles because they're down there and not understanding that the cities and the growing communities in Alberta are faced with the same thing. They've got growth problems. In the same 40-mile radius you can have a community that can't afford to grow and one that is shrinking so bad they can't afford to keep their services running. So we're faced with a multitude of different situations, and from Edmonton I don't think we understand how to deal with it. I know we don't, and Ottawa certainly doesn't understand how to deal with different matters in different provinces. Taking a huge portion of our money to the back rooms there and collectively dividing it up into areas that they feel somehow expert on certainly doesn't work.

One of the things we say is: well, how come people don't complain? I don't think the average Albertan knows that their share of our Canada pension plan is about \$6 billion worth of equity and \$57 billion worth of debt, and we're concerned about a provincial debt that's \$4 billion or \$5 billion, and one of the biggest concerns Albertans have: get that paid off. Don't worry about your pension. A good story and a letter in the mail will look after it. We're sitting here saying: we could do better. We could do better if the people knew how to manage their money or got to watch it. You know, when you get that far away, sometimes maybe responsibility or accountability loses a little bit of – it's just gone.

Now, we can bring up the specific issues about policing or about collection of taxes. Those are all kind of incidental to the big picture. Do we believe that a dictator in Ottawa can handle people's lives better than a government closer to home? That's the crux of

the question. Who best can deliver? I don't doubt and I believe very strongly that we need a strong federal government to do the things that a strong federal government should, like a strong armed forces for defence of our country. We need to have a country that can guarantee justice and equality for everybody in Canada, but we don't need a government that says: we don't think that stealing a car is too serious, so two weeks in jail is fine. If the people have issues with crime or issues with punishment that we want to deal with locally, that's fine. We may have different priorities, not wrong, not right, but different, and I think that's how it should be dealt with.

We have an Edmonton police force, Calgary police force, absolutely world class, top-notch police forces. We can do that in Alberta. We've got as many professionals in the different occupations and professions as anywhere in the world. We would probably be as a province the place to move to. Where else would you want to go? All we're saying is that as a province by ourselves we really would have nothing but a strong province with British Columbia, Saskatchewan, and the rest of them, all understanding their responsibilities. It's like at home, Mr. Speaker. If you tell four kids to take out the garbage, it probably won't get done, but if there's one who knows that's his responsibility and he's accountable for it, it probably will.

Well, in this country we have people that are federally responsible, or irresponsible, for the environment. We have a provincial government that's responsible for environmental issues. What good does the overlap do the average taxpayer? There's one taxpayer, Mr. Speaker. What good does it do to duplicate the entire health administration? It does none. It doesn't put a doctor in a hospital. It doesn't put a bed under a patient. It does nothing except create egos out of people that spend other people's money in a way that might make them feel good.

So having the discussion about: what do you do best, what do we do best? Maybe all the provinces aren't as far along the line of evolution. There may be a province that says: "You know, quite honestly, we don't feel that we're responsible for our environmental concerns. We really appreciate the federal government being here. Please look after forests." That's fine. That's a cost benefit. That's a results analysis you can do, and that's your business as a province. But the opportunity to set out the environmental standards and situations your people live in should be put as close to the people there as possible. We may have a province like Alberta that feels that it's very important to have strict environmental standards, probably some of the toughest in North America. That's our decision to make.

Dr. Taylor: The toughest.

Mr. Snelgrove: The toughest. Especially if you happen to leak a little bit of PCB out on someone at a stadium. Man, I'll tell you; I wouldn't want to be building the jails to look after those people.

We have to talk a little bit, too, about the condescending attitude of the federal system now, how they deal with the less fortunate people. They deal with them by raising the RRSP limits for the wealthy. Now, that makes no sense. At least as a province of Alberta we've raised the basic exemption up to a level that's probably still below what it should be, and what happens in a federal system? "No, no. Let's give everybody making \$60,000, \$70,000, \$80,000 a little bigger break. Let's keep as many programs as we can to keep the people in poverty in poverty so our bureaucrats have a job and keep the basic level low." It makes no sense to take money off the top and keep the poor people – \$6,800 exemption? Honestly, give them a break. Let's start to reflect what the actual need is out there.

We have programs the federal government uses for sponsoring students. Then why do we? If we're responsible for it, let's be responsible for it. Let's decide who's going to pay what bill, and then let's have only one level of government do it. The fuel tax. In Alberta it's a very good idea to determine how much you'll spend on transportation. If we had all of the fuel tax collected in Alberta, our transportation system would not be any problem at all. Ten cents goes to Ottawa; 3 cents comes back. Or build the roads. If you're going to tax, build the roads. They don't do either. It would be a wonderful position to be in.

8:30

Dr. Taylor: Tell us where the 7 cents goes.

Mr. Snelgrove: The Minister of Transportation hides it on his farm in Vegreville.

Why do we have two layers of tax and a GST on fuel for a road tax? It makes no sense. As long as they don't have to be here and watch what goes on, they can take it. It basically boils down to this. In our area here with 83 people we're probably within a few hours and in many cases a few minutes of the people we represent. Many town councillors are in the same situation or even closer. How often are we able to meet or see our federal representatives? If you're from where I'm from, the fellow has an area about the size of Prince Edward Island to cover. It isn't physically possible for them to get to the communities, to see the concerns the communities have, yet so much of their lives is controlled in Ottawa.

There's really no need for it. Move the responsibility back to where the people are paying the bills, where they're aware of what their needs are. I think that can be done by having a province that's on an equal and fair footing with all the other provinces in Canada. It's not that you need special favours. I think Quebec went about this in, I guess, for them a very good way, but quite frankly out here I think we get very sick of the 'never-ends.' They have them down there until they get their way. Well, we don't need that. We want to have the discussion about Alberta within Canada.

The Acting Speaker: The hon. Member for Edmonton-Gold Bar.

Mr. MacDonald: Thank you very much. It's with a great deal of interest that I join the debate this evening on Motion 502, Alberta's position within Confederation. The remarks from the hon. Member for Red Deer-North are curious, certainly, to say the least. I understand that later this month the Progressive Conservative Party is having their convention in Red Deer. I don't know whether this is some sort of advance idea or not, Mr. Speaker, but certainly there are going to be lots of people there, and one of the main topics of discussion will be, from what I understand, the threat from the right, from the Alberta Alliance. I see this motion as nothing more than . . .

Mr. Ouellette: There is no threat.

Mr. MacDonald: Now, the hon. Member for Innisfail-Sylvan Lake said that the Alberta Alliance is no threat. Certainly, from what I'm hearing, they're working very hard, and they're organizing at the grassroots level in constituencies such as the one that the hon. member represents. I think they may be a threat. The more people that are involved in the political process, I say, the merrier.

Certainly, when we think of what was written recently in *Insight into Government* by Mr. Rich Vivone and, particularly, the latest edition from last week and the talk in the corridors – now, this is a very interesting news magazine. It's put out on a weekly basis, of

course, and the highlight, really, of my Friday is getting a chance to have a review of this. There has been much comment, certainly, about the comments of the separatist element in Alberta from the throne speech. Now, *Insight into Government* asks the following question, Mr. Speaker: "Why did [the throne speech] give profile to the tiny separatist element?"

It follows that with another question: "Is it because Alberta's role in Canada will be discussed at the Conservative convention in March?" This is a political motion, if I ever heard one in this Assembly. Now, Mr. Speaker, I'm quoting again from *Insight into Government*: "Is it because the Alberta Alliance is now officially a political party and have a leader – Randy Thorsteinson of Red Deer?" Now these events could be related.

They ask another question: is this idea of separatism just "another windy attack on Ottawa?" When you consider Alberta's position in Confederation and when you consider the unfortunate drought as a result of climate change that occurred in this province in the last number of years, the severity of that drought reached its zenith last summer, and farmers from all over Canada pitched in and tried their best to help. I can imagine what they would think – it was around Ottawa where the majority of this feed, this hay, came from for Alberta farmers – about the hon. Member for Red Deer-North's speech. I for one, Mr. Speaker, follow the views of Mr. Peter Lougheed, and that is that I am first a Canadian and I am second an Albertan. I think we need to follow the example that has been set by Mr. Lougheed.

Now, the hon. Member for Red Deer-North talked about how desperately we needed Senate reform, that we had to have an elected Senate, and this is not a week after this government dismantled the regional health authority boards, dismantled them. Well, essentially they were fired. These were democratically elected people, and not all of them could make the cut. The reason given, Mr. Speaker, was: oh, there was so little interest in those elections, there was such a low voter turnout rate, and it was too expensive to maintain.

Now, if I were the hon. Member for Peace River or the hon. Member for Fort McMurray, well, I might get a little nervous if this government is apt to take a notion after they look at the election results and the voter turnout rates in the last election: oh my goodness, there's less than a 40 percent turnout in those two constituencies. This is way too expensive to maintain.

So if we're talking about democracy and we're talking about Senate reform and we're talking about an elected Senate, why does it not apply in our own backyard here in this province, to maintaining elected regional health authorities, which are perhaps spending as much as one-third of the total provincial budget of this government? That to me is a real double standard, Mr. Speaker.

Now, getting back to the original premise, I think, that's behind this motion – that is, to strengthen the support of the right wing for the government – I have to explain the contrast between the Member for Red Deer-North's comments and those from the hon. Member for Vermilion-Lloydminster. Early in February of this year the hon. member suggested that Alberta needed independence. Now, the hon. member is talking about the influence of the west on the federal political scene, and the hon. member states that the two sides of the conservative coin, the Alliance and the PC parties, need to find the middle ground. Well, that's fine and dandy, but it is my view from the remarks earlier that the hon. Member for Red Deer-North wants to push them right off that ground altogether. There's no room for people that are sympathetic to the Alberta Alliance in her political ideology.

In conclusion, Mr. Speaker, we're talking about the need to share the wealth of this province. We're talking about needing to share the wealth of this country, and each region at one time or other histori-

cally gets their time. I would like to ask – and perhaps this can be answered in debate in the next half-hour. How much did all Canadian taxpayers pay, if anything, if anything at all, to subsidize the construction of the Husky upgrader in Lloydminster, which has made an enormous economic difference to the region around Lloydminster, not only on the Saskatchewan side of the border but on the Alberta side of the border as well. How much did all Canadians subsidize the construction of that facility?

Thank you.

8:40

The Acting Speaker: The hon. Member for St. Albert.

Mrs. O'Neill: Thank you very much, Mr. Speaker. I believe that Motion 502, which is entitled strengthening Alberta's position within Confederation . . .

Mr. Strang: Say that again.

Mrs. O'Neill: It says, "strengthening Alberta's position within Confederation."

It speaks to the strength of our province as we are Canadians and in the context of our great nation of Canada. Those who assume that this motion says anything about separation, I think, are making very, very dangerous assumptions, just as those who assumed that the comments about our strength within Confederation as articulated in the throne speech ever suggested any thought of separation were wrongly misguided by their own thoughts rather than by what was actually in the speech.

I think that this particular motion challenges us in Alberta to work to make sure that our federal government recognizes what a fine partner we are in this great nation. At the beginning of the 20th century Alberta assumed its place in Confederation while on the frontier edges of the nation. I believe that Motion 502 sets out how we are to position Alberta on the leading edge of a new era of Confederation, and I think we should acknowledge our strengths while we speak to Motion 502.

I would like specifically to identify in our minds and certainly in our consciences the fact that we here in Alberta have recognized through our wonderful wealth of historic sites the wonderful role that the First Nations have played in building this entire country. We have – and I would iterate it very specifically – a very large Franco-phone community in Alberta, which creates a strong tie to our eastern neighbours and to that province which was once called Lower Canada in the initial four provinces' Confederation Assembly. We also have, thanks to the efforts, I believe, of the people of Alberta, those who broke the land and who built this province, very diversified cultures represented, and we have a strong component of multiculturalism. We do in Alberta, I believe, form a wonderful part of the mosaic of Canada both by virtue of our multiculturalism and by virtue of those of us who are here to assist each other in making sure that we have one common purpose.

As for the military that was mentioned earlier and the military strength of our country, my constituency borders on the base at Namao, which is a very large base of military strength and training. A number of those men and women who work at the base, who are strong and proud members of our Canadian military, live in my community, and I would like to say that I think that this motion calls on us to make sure that the rest of the country understands the role that we all want to play in defending our great nation. We have the training; we have the personnel. We just need a little bit more money in order to encourage and strengthen that. Having said that, Albertans recognize the fact that we have and our people have a role

to play in making sure that the defence of this country is indeed strengthened from within and, I say, from a large contribution of Albertans.

I would be remiss, I think, when speaking about strengthening our place within Confederation, if I didn't speak about how strong we have been in our call for the reduction of CO₂ emissions. In spite of what all the rhetoric surrounding the Kyoto protocol would suggest to others around the country and around the world, in Alberta our position has always been that we will play our part and we will play it in spades to contribute to the quality of the environment not only in our province but in whatever we can do to improve the environment and to be good custodians of the environment right across this country.

It is a known fact that Albertans pay more in equalization payments than any other jurisdictions. Perhaps close to Ontario, but certainly we are at the top of equalization payments. I think this is a very tangible contribution that we as Albertans make to the strength of this country. It is a reaching out to the other provinces and our fellow Canadians who reside in other provinces that we are here to assist them in ways in which we can, and we facilitate it through our agreement of not only cohabitation in this country with our other provincial and territorial cousins, but we certainly facilitate it also because we believe that we are all contributing to a strong nation and to a strong Canada.

The cost-sharing for the responsibility of certain nationwide health care initiatives is a concern, and I think that's why Motion 502 is important. We all want to strengthen not only Alberta's position within Confederation or within the delivery of health care, but certainly we want to strengthen the awareness of the nation in what we are doing that is so leading edge with respect to health care delivery. The same can be said, of course, with education. These are two jurisdictions and two areas of responsibility that primarily reside with the provincial government. We feel that we are leaders in both of these areas, and we really do, though, lack the recognition from the rest of Canada for the leadership roles that we have assumed in both of those areas.

We have much work to do, and as I understand this motion, it's a rally call for all of us who reside in Alberta to respond further, to communicate better, and to identify more clearly to the rest of Canada how strong we are, how willing we are to contribute to the national good, and how important it is that our voice be heard, our voice be heard as an equal voice, as an equal partner, and as a very proven partner for all that we have done.

I want to pay special tribute this evening to the leadership that our government has shown, particularly through the Premier and the Premier's office and in particular as well through the Department of International and Intergovernmental Relations because we are a player on the national scene. We are a credible player, we are an articulate player, and we are a risk-taking player, something that a number of the other provinces are not only afraid to do but they are unable to do. That's why I think we have a challenge in front of us. We have a responsibility before us.

I would say, Mr. Speaker, in conclusion that I really and truly do believe that our position is strong, but we have the challenge to make it even stronger and even louder within Confederation. With that I would just say, "O Canada."

The Acting Speaker: The hon. Member for Olds-Didsbury-Three Hills.

8:50

Mr. Marz: Thank you, Mr. Speaker. I'd like to thank the Member for Red Deer-North for bringing forth Motion 502. This motion, as the previous speaker stated, calls for our government to "strengthen

Alberta's position within Confederation." That certainly does not speak at all of separation, as some previous speakers have suggested.

Mr. Speaker, Alberta is too often brushed aside in the federal political game. Our views and our opinions are more often than not relegated to being second class. I find this absolutely unacceptable since I believe that Alberta is the one province that keeps this country together through our never-ending support and our leadership. Yet on almost every major federal/provincial issue that negatively affects this province, we find that our interests as Albertans are brushed aside time and time again.

In fact, there's an abundance of examples throughout history. One could look back to an Alberta that came into being in 1905. The federal government was going against the wishes of those that lived in the large territory that wished to become a province. The feds saw this as a threat and divided the territory up into what is today's present boundaries in the hopes that the west wouldn't be very strong, and it seems to have worked so far.

Of course, that may seem like a tiny issue, but let's move throughout history. Alberta's not yet a hundred years old, yet we have got more problems with our federal government than what most teenagers have with their parents. Let's look at the boondoggle of the 1980s – I got that expression from the hon. Member for Edmonton-Gold Bar; he likes to use that term – when the federal government, in fact our current Prime Minister, forced the national energy program on us. I think everybody remembers that one. The NEP proved one thing, and that was that when the feds want our money, they'll try to get it at every turn. The NEP was nothing more than a glorified cash grab even though Alberta, with the backing of Saskatchewan and Manitoba, told the federal government that this would bring devastation to our economy. Did they listen? No. There are estimates that show that the NEP cost us roughly \$50 billion. Think of where this province would be right now if we'd been able to continue growing at the healthy rate we were at that time.

Of course, some argue that the NEP was good for Canada. I guess that depends on who's doing the assessment. How could a disastrous policy that is so detrimental to the province be considered so good? There wasn't even an agreement between the provinces for the NEP, yet it was pushed forward. Yet when this province puts an issue forward, we face an immovable brick wall. For instance, when our Justice minister lobbied to raise the age of sexual consent from 14 to 16, we were met with nothing but closed ears. The reason that was given to us was that there was no provincial consensus on this issue; therefore, it wouldn't happen. Yet when it benefits the federal government and knocks Alberta down a peg or two, provincial consensus doesn't seem to matter. Mr. Speaker, I've had quite enough of that sort of behaviour from our wasteful federal government. We should no longer stand for the attitude of disrespect, and we should now solidify this province into this country.

Mr. Speaker, this motion urges the government to think about policy innovation that will strengthen this province in Confederation. We can no longer sit back and let the federal government stick their fingers in our jurisdictions. For instance, implementing the Mazankowski report is a policy to strengthen this province, and having more innovative policies that challenge the status quo will ensure that we continue to lead this nation. Canada is a great country, and I believe that it could be even greater. We should be head and shoulders above many other countries in the world, but sadly we're not. We're not because the policy adopted by the federal government in Ottawa looks favourably only on a select few in this country. This should not surprise us, especially after seeing the disregard the federal government has for the majority of the provinces.

For example, a month or two ago we were told by the federal government that we would not be given health money that was owed to us, money that our health system desperately needs. They said that if we wanted the money, we must do as they say. Eventually they gave us the money but not in the form of a formal agreement. Mr. Speaker, health is a provincial responsibility, and we handle it quite well. Some would argue that the health outcomes in this province are the best in Canada. For our federal government to sit back and tell us how to run our province with money already owed to us is simply unacceptable. How much longer will we allow ourselves to be treated as unequals in this country?

Motion 502 will continue Alberta's process of changing that. The Alberta government wants to change the face of politics in this country by showing Canada and the world how to spend taxpayers' dollars responsibly. Many other provinces followed our lead to make themselves accountable to the electorate, but the federal government doesn't seem to follow that precedent. They spend outside of their means, and this is all going to put an insurmountable pressure on our future generations. I draw the House's attention to the many, many wasteful policies of the federal government, the first being the forever-cursed gun registry. We're told it would only cost \$2 million. However, reports from the Auditor General show that a possible \$998 million later we were told the truth. There have been a billion dollars lost elsewhere in the federal human resources department, millions wasted on studies with misplaced reports, and possibly billions more on implementing Kyoto. I guess we'll have to wait to see that.

Mr. Speaker, the underlying similarity of all these examples is that Alberta said to us and to the federal government: no more wasting. We listened. The feds did not. The feds continue to put policies forward that bring Canada down. From our laughable military funding to the crash and burn of our loonie, Alberta's interests and westerners' interests as a whole are just not being met.

Therefore, it's time we start taking care of ourselves while trying very hard to lead the rest of the provinces to rebuild this country. It's time to assert what are provincial responsibilities and strengthen our position in Canada. This government must begin by adopting policies that not only strengthen Alberta within Confederation but strengthen Canada as a Confederation. We must assert ourselves within this country, and I believe Motion 502 is a step in the right direction, and I would hope everyone in this Assembly would support this motion.

The Acting Speaker: The hon. Member for Calgary-Currie.

Mr. Lord: Thank you, Mr. Speaker, for giving me the opportunity to rise today and enter the debate on Motion 502, the strengthening of Alberta's independence within Confederation. Motion 502 undoubtedly strikes a chord with many Albertans and western Canadians who feel that Alberta and the west have long been ignored or even plundered by the various federal governments that have sat on Parliament Hill. It's easy to reach this point of view, especially if all we do is read the many western Canadian newspaper headlines that we are all so familiar with. We have all been indoctrinated about these grievances since we were all little kids, and no doubt we will hear more of them in the future. I'm glad that this motion does not call for separation, as we heard earlier, because I couldn't support that, Mr. Speaker, but I can support the idea that in certain areas we could use a little more independence, at least from the current government in Ottawa, particularly when it comes to their socialist and anti-American and anti small business sentiments and their pro government monopoly preferences.

However, in wondering what value I might be able to add to

tonight's debate and what I might say that might be helpful in improving Alberta's position within Confederation in coming years, I decided to suggest a very different approach to the issue tonight, one that isn't often heard. It isn't often heard because it isn't popular, and it won't make me popular, I don't expect, but I am reminded of a quote by U.S. President Abraham Lincoln that he serves his party best who serves his country first.

I think that in terms of strategy of how to win friends and influence people in Ottawa to see things our way, there are some things that need to be said about our past strategies, and in my admittedly 20/20 hindsight opinion they haven't always been the best. I'm going to ask us all to look in the mirror for a little bit over the next while. I'm going to ask us all to question whether or not we might be the authors of our own misfortunes, at least to some degree. I'm going to ask us to make sure that our historic grievances as a province actually stand up to unbiased independent scrutiny, that we aren't just looking at our side of the media story. It appears to me that some of the main grievances we all know about, such as the national energy policy, which I lived through, too, and the GST and so on, clearly have a very different other side to the story to them that we haven't heard much about, and they do get blamed for a lot of things that they didn't actually do.

The facts are that when we are very angry about something, we tend to be easy prey for those who see opportunity in fleecing the angry, manipulating us and pressing our hot buttons in order to sucker us into following their plan of action with our money and our votes.

The Acting Speaker: I hesitate to interrupt the hon. Member for Calgary-Currie, but the time allocated for consideration of this item of business has concluded.

9:00head: Government Bills and Orders

head: Committee of the Whole

[Mr. Shariff in the chair]

The Deputy Chair: I'll call the committee to order.

Bill 2

Financial Statutes Amendment Act, 2003

The Deputy Chair: Are there any comments, questions, or amendments to be offered with respect to this bill? The hon. Member for Edmonton-Ellerslie.

Ms Carlson: Thank you, Mr. Chairman. We've had a little bit of time now to have Bill 2 out in the community, to start to get some feedback on it and find out what people think of it, and it's been interesting to hear what people have had to say. We've had some people who were very interested in different aspects of the bill and some who weren't all that pleased with it, some who figured that this was just another way for this government to talk about ways to build slush funds. I would be very interested to hear what the government has to say about this, because in fact that could be a very real problem. If there are not the proper parameters put around the bill and if there isn't enough targeting for benchmarks that remain consistent from year to year in this particular bill, we could see ourselves back in the situation where we were with the heritage savings trust fund some 10 years ago, when the government and government committees decided how they would spend that in manners that are reminiscent of some of the kinds of spending we see today.

This government has a long-standing tradition of really developing

their plans from election to election. The first year they talk about how great they are. The second year they slough through all the stuff that they don't want to see become campaign issues. The third year they start the money giveaway, and the fourth year, when we're in an election year, bang. There it is, right in everybody's grubby little hand so that they can think about: "Well, maybe this government wasn't all that great in the past, but when I've got money in my paw right now, that's going to be a real advantage. Perhaps they'll be better in the future." So they vote for them again. It's an excellent election strategy, and it's an excellent way to stay in power for 30 years, but it isn't very good for the longevity of the province.

We have what is the most outstanding province in Confederation – there's no doubt about it – and we are blessed with an abundance of riches. Unfortunately, this government has had a long-standing tradition of being able to squander those riches. With what we have had, we should have had a heritage savings trust fund built up to the point in time where we had so much interest revenue coming off that money and other kinds of earned income that we would have all kinds of options today: options like completely eliminating personal income tax, options like eliminating corporate tax, options like eliminating health care fees, options like ensuring that people who are low-income families could actually live with some kind of dignity. So those are the choices that could have been made. Those weren't the choices that were made, and people are a little concerned that with this bill we may be back to the same old game. I hope not, Mr. Chairman. I hope that doesn't turn out to be the case, but we will be following the progress quite closely.

The framework that was given for the bill and the detailed plan that we had in our 2020 Vision was excellent and did lay out a roadmap that I think even this government could follow. Let's hope that they do. [interjection] Well, you've cherry-picked some of the best ideas so far, so keep on trucking, and we could all be in pretty good shape down the road. So far those kinds of things haven't happened.

I have a few concerns when I take a look at the overall flow of what this government has talked about doing with this money so far. They say things like, "Energy rebates will come out of this fund," which already, right off the bat, makes it a slush fund. I just want to talk a little about energy rebates, Mr. Chairman. We know that they are only a short-term management problem-solving tack that this government can use. Should they do it in the short term? Absolutely. Why should they do it? Because with the bungling of electrical deregulation and the way gas prices are going, we have many, many families in this province who really are making the choice between paying their electrical bills and being able to buy food and even in terms of the quality of the food that they're able to put on the table. So those are the real choices that people are having to make right now.

To people in this Assembly an increase in your bill of \$100 a month isn't going to break the bank, but there are certainly people who are living in low-income situations, the working poor, particularly, I'm talking about, those who don't qualify for day care subsidies or for subsidized housing, to whom \$100 makes all the difference in the world. It significantly makes a difference between what they can eat. Where else can they cut back on their budgets? They can't cut back on transportation. We have such a lousy public transportation system throughout this province that it's impossible to get the kids ready, get the little ones to day care, get the school-age ones to school, and then get yourself to work on time. Even if you could find a bus schedule that would actually do that, you'd have to leave at 4 o'clock in the morning, and then you'd have to expect that the buses are running on time, which, as we know, particularly in this city, doesn't happen to be the case. So it isn't like they can stop running their car.

So if you think about people's disposable income, rent or mortgage payments are fixed. Utilities are skyrocketing. They have to maintain some sort of a transportation program. The discretionary income comes on things like food and clothing. Now, who is going to say in this province that we should deny our children things like coats on their backs and boots on their feet and mitts on their hands? Nobody. But by the same token, should they have to live on Kraft Dinner for a whole month all because the government didn't plan deregulation properly? I don't think so.

So our concern is that this government started talking about deregulation a decade ago. From 1995 on, for sure, we told them repeatedly that they have to put the plan in place, that they have to tell people how the plan is going to roll out, that they have to put some certainty in the marketplace so that companies can start to build, so that we won't face situations where prices skyrocket and we're looking at brownouts and things of that nature, where there's a stable, competitive environment for businesses to thrive in. This government didn't listen. They didn't put the plan in place. They didn't do any of those things that they were supposed to do. What happened? They forced deregulation through, prices skyrocketed, and they did it on the backs of the taxpayers to the tune of what amount so far? Just additional fees for people to pay their energy bills so far for deregulation total \$9 billion. That isn't what Albertans have paid in totality for their fees for energy costs. That's just the extra cost of deregulation so far, all on the backs of people.

Now, it's a little easier for people in our income bracket or people who make more money than us to be able to foot that kind of bill, but for people who clear \$800, \$1,200, \$1,400, \$1,600 a month and are trying to raise families, that burden is enormous. It isn't like we spread the risk or the cost out, where those who can least afford to pay pay the least and those who can afford to pay a bigger share take that burden with them. That's not what happens in this province, Mr. Chairman. People pay the same amount of money, so the disproportionate weight of carrying this government's mismanagement on issues falls on the backs of the working poor. That's a real mistake, and we hope that this government has learned something from that and will have a better planning model in the future. So far there is no evidence of that. We don't see five-year, 10-year, 15-year, 20-year, how about 50-year forecasts coming out of this government in terms of sustainable development and economic planning in the future. We see three-year rolling business plans that roll right off the page every year, and we see a new set of plans come in. That isn't a very good management strategy. We hope that in the future they will improve that. So that's one cautionary note about this bill as it moves forward.

9:10

We're still hearing about P3s, Mr. Chairman, not just from people throughout the province but certainly from the government's own plan within this bill. They say that this is the kind of place where the funding for P3s, for what they see as their share of a private/public partnership, comes from. In a P3 as described by the government, the government's share is just going to be the ongoing lease payments. So tell me what sense that makes.

First of all, let's talk about the whole concept of P3s and how absolutely senseless it is from an economic standpoint to venture into them. Let's forget for a second all the evidence out there about how these P3s haven't worked in other jurisdictions or even, in fact, in this jurisdiction. Let's forget that developers are in to make a buck and that they will provide the least quality possible given the price tag that they've won the bid at and that they will retrieve as much money as they can from governments in lease payments over time. So, on the one hand, we get a product that meets the minimum

standards, doesn't exceed them, and on the other hand we're paying the best premium price that a company can negotiate with the government for the lease of these premises. Let's forget that argument for a second, which in itself doesn't make good economic sense.

Let's talk about the cost of money and what it means for governments to be able to borrow, if governments are in a position where they have to borrow, which this government isn't. With this kind of a fund that they're going to be funding their P3s out of, the money is there in a pot. They can build the structure and pay for the ongoing maintenance costs of it, and that cost over time, over the life of the building, be it 10 or 15 or 20 or, more likely, 30 or 40 years – because what we've seen is that many of the schools that are still functional have lasted for decades and decades and decades. If you amortize the original construction costs over that length of time, including the ongoing maintenance costs, the actual present value of the building is very, very low. Even if the government has to borrow, especially a government like Alberta, who's got a triple A rating, governments can always borrow money at a lesser cost than companies can. So their cost of borrowing is going to be lower. That means that their building costs are also going to be lower. So if the government has to borrow the money and then you amortize the life of that building and the cost of borrowing and the cost of construction over time, you're going to see that that cost also is a great deal less than what any kind of lease payments that they could negotiate could ever be.

It's like all of these car companies out there now pushing you to lease the vehicle rather than buy it. Why do they do that? Because people buy a newer and more costly vehicle, and the company makes more money. It isn't because it's cheaper to you as the consumer. I have never yet seen a loan agreement for a car that over a five-year time period is not cheaper than the lease payments over the five-year time period. And guess what? At the end of the day not only do you have a paid-off car, which is an asset for which you reap the benefit for however many extra years you keep that vehicle in having no capital cost outlay. You've paid less money over time than what you do over the term, which is usually a five-year term. You pay less money over that time when you include the balloon payment at the end if you want to buy the vehicle. What they really want you to do is just keep on leasing forever and ever and ever and paying them forever and ever and ever. Well, that doesn't make good economic sense. Good economic sense means you spend the least amount of capital possible to purchase the item and then you reap the benefits over the life of that item.

So what's wrong with P3s is they're just going to cost more money, not to this particular administration, because they'll be long gone by that time, but to the people of Alberta. So that means we are putting this economic burden on the backs of our children and our grandchildren. Mr. Chairman, that is just flat out a wrong way to do business. So I was very disappointed to see in this bill that this government could possibly talk about funding P3s out of this particular legislation.

What do we need them to spend the money on that they're going to accumulate in this fund? What we do need them to spend the money on is flattening out the revenue streams when we have a boom-and-bust economy. If Peter Lougheed had done what he originally said he was going to do more than 30 years ago – and that was successfully diversify the economy beyond the kind of single-based economy we had – then we wouldn't need this leveling out now that we've got. It's because we still depend on raw oil and gas prices. It's because we still depend on trees that we simply lop the branches off and ship out elsewhere. It's for those kinds of reasons that we have such a volatile economy. Had they done more tertiary

development in the early days, spent a greater amount of time and energy on that kind of development, we would have a flatter revenue stream now and we wouldn't be facing these volatile years that we have.

They are starting now to do it on the technology side, on the medical technology side in particular, and on the agrifood side in some cases, and that's a good move, but it's still just a very small piece of our revenue stream. In the meantime, we go through these boom-and-bust cycles about every five to 10 years, and if we happen to have a government in place on the day of the bust cycles, we get ourselves into huge financial problems. They don't know how to manage their way out of them. They don't know how to cut back on costs or economize in the right areas. They just lop money off the top. How this government operates the budget is like a sponge. They take all the water and squeeze it out in the dry years, but they don't really shrink the size of the sponge, and in the boom years it puffs back out to the same size and even sometimes bigger than it was before. So we don't see any economies at all, and that's a really bad thing.

So, in the meantime, until we can get a government in place that knows truly how to manage budgets and how to forecast for the future and how to provide those basic necessities that governments should be responsible for – like universal health care, like a universal education program, like good, solid infrastructure programs – then we have to have some sort of relief from the bust times, something to level out the income so that we don't see the kind of chopping and dashing that we've had here in the past 10 years in some of the core services of government. So for that, we have been advocating for a long time for a stability fund, and now we see it come forward under another name and with a couple of add-on items that look like they could be contentious in the future but, nonetheless, addressing one of the core issues that we've been talking about for a number of years.

As I hear people out in the community talking about this particular bill and what it means for us in the future, Mr. Chairman, we've seen a fairly mixed reaction. A lot of people are very suspicious. A lot of people think that this government has spent over 30 years not being able to manage the finances of this province and won't be able to do so in the future. However, there are a few people who reserve judgment in some areas and think that if this is going to be a start in leveling out the boom-and-bust cycles, then it might not be a bad plan. At this point, I think I have to reserve judgment because we'll have to see it in action.

So far this government has done nothing over the past years to inspire confidence in me, but you never know. They may be on to a good thing here, and if they just keep that Alberta Liberal 2020 Vision right beside them on the desk as they're making decisions and in the middle of the cabinet table and use it as a blueprint, then in fact, Mr. Chairman, we might not be in too bad of a position. But we'll know better once this legislation has passed and we see it works its way into the budgeting process, and they may be able to work out the wrinkles. It doesn't look like it's going to be a real problem for the next year or two the way oil and gas prices are going. It looks like we're not even at the peak of the cycle of booming at this stage, which is probably a good thing for this government. It gives them some time to figure it out, some time, I hope, to do some real long-range planning, planning that will take them beyond the next election and take Albertans into a future that could be fiscally sound, we hope.

So with those comments, Mr. Chairman, I believe I'll take my seat and see if anyone else wants to enter into debate.

9:20

Dr. Taylor: No. Keep going.

Ms Carlson: You know, the Minister of Environment is so mouthy tonight, but he refuses to stand up and enter into debate, and we really wish that he would put his comments about this bill on the record because he hasn't done so yet, and that is part of the problem.

Dr. Taylor: The whip won't let me.

Ms Carlson: You know, the government talks all the time about the possibilities of free votes and how they are their own people and they represent their constituents, and what we hear the Minister of Environment talk about now is that the whip won't allow him to enter into debate on this particular bill. Well, I have a secret for the Minister of Environment: the whip isn't here. So he could at this point in time just stand in his place and put a few . . .

An Hon. Member: The deputy whip is here.

Ms Carlson: I don't think the deputy whip is quite as tough as the whip, Mr. Chairman, so I think that probably he could take his place this evening and share a few of his comments with us. Maybe he could share his comments with regard to how the lightbulb came on on the front bench in terms of the Alberta Liberals having a really good idea that they needed to steal. We'd like to know what year that actually happened and how long it took them to be able to put the plan in place.

The Deputy Chair: The hon. Member for Edmonton-Riverview.

Dr. Taft: Thanks, Mr. Chairman. I'm happy to follow the comments of my colleague from Edmonton-Ellerslie and take a few minutes to raise some questions and put some thoughts on the record about Bill 2, the Financial Statutes Amendment Act. As has been widely noted, this act draws on ideas that originated with the Alberta Liberal caucus. The good ideas that they are, the government is welcome to share them, to use them, but we ask them to use them wisely. I know that's asking a lot, but we ask it anyways.

As I go through this piece of legislation in some detail and look at the different clauses, various questions arise, questions that relate to, well, different issues, some of it relating to the generalities of the bill, the lack of detail, the lack of regulations, and so on, and sometimes relating to other issues. I'm noticing here, for example, under section 1 – I'm on page 21 of the bill as I've got the copy in my hand. It's amendments to the Fiscal Responsibility Act. Let's see; it'd be 2(2)(a)(ii). In any case, it says:

The total outstanding borrowings of the Alberta Social Housing Corporation pursuant to section 25(3) of the Alberta Housing Act, excluding any borrowings for the purpose of financing capital investment on or after April 1, 2003.

Now, this is excluding it from the definition of accumulated debt. So accumulated debt under Bill 2 will come to mean various aggregated amounts, but it will exclude "any borrowings for the purpose of financing capital investment on or after April 1, 2003."

Clearly what the government is doing here is letting itself off the hook. It's leaving itself a very large loophole. At least that's the way I read it. If I'm incorrect, any of the government members are welcome to correct me on this, but the way I read it, there's a great big loophole that will allow borrowing for the purpose of financing capital investment after April 1, 2003, to be exempt from the definition of accumulated debt, which seems like potentially an enormous loophole.

Mr. Herard: What about the asset? Where do you put that?

Dr. Taft: Well, one of the members from the government is asking where the asset goes, and I don't know. If you know the answer to that, I'd be happy for the explanation.

Likewise, the following section excludes "any debentures issued for the purpose of financing capital spending by school boards on or after April 1" from the definition of accumulated debt. Again it raises the same questions about: are we leaving ourselves a large loophole here? As one member suggested, will there be provisions here for calculating the assets? If all of that is excluded from the aggregated amounts that form the accumulated debt, then, as I say, are we looking at a substantial loophole here? I don't know, but it makes me concerned that there is that loophole here.

I'm also noticing that in the definition proposed for accumulated debt, there's no mention here or anywhere else in the bill, I think, of what's come to be called the infrastructure debt. It would be interesting to see some reference to that. I see the Minister of Infrastructure is in here today, and he might want to comment on why there's no reference to that issue in this bill. Maybe it will be handled some other way, and maybe it's not of immediate concern for the government. I know the government and many others have questioned the whole concept of infrastructure debt, but I do think the Premier has come to accept its legitimacy. It would seem that we can, on one hand, not have any cash debt, but if our roads and public facilities and so on are in serious disrepair, then we have a different kind of a debt, and it might be nice to consider handling some measure of that in this legislation or some other legislation so that we had a full and complete accounting. Referring back to one member's comments about the assets, there might be the opportunity here, in accounting for the assets and depreciation and so on, to account for infrastructure debt.

Anyways, on page 24 of the bill, under Alberta Sustainability Fund, which is one of the major, major components of this bill, section 2.1(1) reads . . .

Mr. MacDonald: Is it a stabilization fund or a sustainability fund?

Dr. Taft: One of the members, the Member for Edmonton-Gold Bar, is asking if it's a stabilization fund or a sustainability fund. Well, here they're calling it a sustainability fund. [interjection] We'll see how it's run, and that actually goes to the heart of my questions for the government. I'm wondering: how is this sustainability fund going to be managed? What are the details on how it will be managed? There are some ideas here, references here. As it says, "If for a fiscal year actual non-renewable resource revenue exceeds non-renewable resource revenue for fiscal policy purposes, the difference must be allocated to the Alberta Sustainability Fund." That's pretty clear, and that makes sense. I think that works for all of us, and that has a stabilizing effect. When Alberta is in a gold rush, as it were, of nonrenewable resource revenues, then that money will be set aside in the sustainability fund, and presumably in years when nonrenewable resource revenues are low, we can draw on that fund to support general revenues or other things, but that still doesn't indicate to me how it will be managed. Are we going to see an office set up under the Minister of Finance, for example, that will be managing this? Maybe it'll be privatized out. Maybe it'll be handed out for some kind of short-term fund management company to handle. Will it be put into short-term deposits? How is this going to be managed? I'd be curious to have any thoughts from any government members on that particular issue.

Mr. MacDonald: Are you nervous about the next election and how that might be used?

9:30

Dr. Taft: Well, yes, I know that the Member for Edmonton-Ellerslie raised questions about this being used as a slush fund, and the Member for Edmonton-Gold Bar raised that issue, and I've heard that concern myself. I know that we've talked about it in our caucus, and it is a legitimate concern. It's curious that this legislation is being set up at this moment after all the years that we've argued for it and would just happen to be coming into full force in the lead-up to the next election. Certainly, our concern is that it will be used as a fund to give out election goodies. We'll have to wait and see. [interjections] Well, we'll see how they're done. I'm getting comments from government members challenging some of my thoughts, and they're welcome to stand up and put them on the record.

The same kind of questions about the Alberta sustainability fund can be asked about the capital account. I'm now on page 25 of the bill, which refers to the capital account, section 2.2(1): "The Capital Account is established as an account within the General Revenue Fund." Well, again, the same sort of questions, very practical questions. How is this going to be managed? Are we going to have a director of the capital account who, again, maybe invests in short-term investments? Will there be any parameters on what those investments can be? Are we going to see, perhaps, an ethical investment policy to ensure that none of the money in this account is even briefly invested in something like Talisman Energy or other energy companies or tobacco companies or whoever might have ethical track records that don't meet everybody's approval? I don't know. Is the government going to have policies on that for this account or not?

I've wondered, as well, what will happen if there are surpluses in this account. I do notice a good clause in here about deficit. It says under subsection (3), "The net assets of the Capital Account may not be reduced to an amount less than zero." In other words, the capital account can never be run as a deficit. Fine. That's wise. But what happens if at the end of the year there's a surplus? Can this capital account get larger and larger and larger? I'm not sure that that's clear in here. I don't see that it's spelled out here, but perhaps somebody can correct me if I'm wrong.

So there are questions I have there about the capital account. How is it going to be managed? Who's going to manage it? Will it be all done in-house? Will it be farmed out to a management and investment firm? What policies for investments might they have for the money that's in there, or are we just going to leave it in extremely low interest bearing savings account sorts of rates while we use the money?

Another change I notice in this particular bill has to do with the debt elimination schedule. Now, it says here on page 26 and page 27 of the bill under the debt elimination schedule, section 5, that "the accumulated debt must be no greater than the following," and then it lists five different time benchmarks and amounts of money to be the maximum amount in accumulated debt in each of those benchmarks. Those benchmarks stretch out right until the year 2024-25, until that fiscal year, which is still 23 years in the future. By then, it says that the accumulated debt, which, if I've read this bill correctly, does not include school board debt and won't include debt under the Housing Act – but I guess it'll include everything else. The entire thing will have to reach zero by the end of the 2024-25 fiscal year. Given the times we're in right now, that's a very modest target to set, but at least it's a target, and it's in black and white. I've lost track now. Maybe one member or another here can tell me what the current debt figure is for the province, but I think we are so far ahead of schedule that we could easily have eliminated the debt entirely within the next few years, which could make this piece of legislation

more or less redundant. But I do note the very modest sorts of objectives that are set under this part of the legislation.

Turning ahead a few more pages in the bill, I'm now on page 29, which refers to the consolidated capital plan, and it says here that "the Minister of Finance must prepare a consolidated capital plan for the Government as part of the consolidated fiscal plan for a fiscal year." It makes no reference here whatsoever to the Minister of Infrastructure, and I'm wondering what the Minister of Infrastructure's plans will look like and how they will fit into this activity by the Minister of Finance, especially when it goes on to say under subsection (2) that "a consolidated capital plan must be for a period that includes the fiscal year and at least the 2 subsequent fiscal years." So we're looking here at a three-year capital plan, which I would have thought would have been the primary responsibility of the Minister of Infrastructure. There's no reference at all to that minister in here, but I do hope that the Treasurer, the Minister of Finance, is actively consulted on this. Otherwise, either his work or the work of the Minister of Finance will be completely irrelevant.

So, Mr. Chair, there's no end of comments that could be made under this piece of legislation. Fundamentally, as we've said, a good idea, but like all legislation pretty much, the devil is in the details. I hope that somebody in the government will pay attention to my comments, maybe even answer some of the issues.

Thank you, Mr. Chair.

[The clauses of Bill 2 agreed to]

[Title and preamble agreed to]

The Deputy Chair: Shall the bill be reported? Are you agreed?

Hon. Members: Agreed.

The Deputy Chair: Opposed? Carried.

The hon. Deputy Government House Leader.

Mr. Zwozdesky: Thank you, Mr. Chairman. I would move that the committee now rise and report Bill 2.

[Motion carried]

[Mr. Shariff in the chair]

The Acting Speaker: The hon. Member for Edmonton-Meadowlark.

Mr. Maskell: Thank you, Mr. Speaker. The Committee of the Whole has had under consideration and reports Bill 2.

The Acting Speaker: Does the Assembly concur in the report?

Hon. Members: Agreed.

The Acting Speaker: Opposed? So ordered.

9:40head: **Government Bills and Orders**
head: Second Reading

Bill 17

Appropriation (Supplementary Supply) Act, 2003

The Acting Speaker: The chair recognizes the hon. Deputy Government House Leader on behalf of the Minister of Finance.

Mr. Zwozdesky: Thank you, Mr. Speaker. I would like to move Bill 17 on behalf of the hon. Minister of Finance.

The Acting Speaker: The hon. Member for Edmonton-Gold Bar.

Mr. MacDonald: Thank you very much, Mr. Speaker. This bill asks the government for over \$206 million extra dollars in order to defray some of the additional expenses that the government has incurred this year. [interjections] Certainly one of them has not been altaliberals.ab.ca, which is a web site that will show how much money Albertans can save. There has to be an accounting at some time of all the money that has been spent on electricity deregulation in this province, but Bill 17 is not the time to be discussing that.

Now, the government is requesting that there be funds made available in this bill, Bill 17, for 17 different departments. Transportation has requested the most money, \$41 million, and the majority of these dollars will go towards costs incurred as a result of the provincial government having taken over responsibility for the secondary highway system. For the second appropriation act in a row the Department of Agriculture, Food and Rural Development has required funds, \$2 million less than Transportation, \$39 million this time around for agricultural assistance programs.

When we look at Bill 17, we see that it is the second appropriation act to be brought before the Assembly this year. The first, Bill 36, was of course brought forward during the fall sitting of the Legislature. Bill 36 called for \$822 million to be spent in five different departments. I have attached, Mr. Speaker, the Bill 36 final briefing for further information on the first appropriation act of this fiscal year.

The \$206 million has \$3.3 million set aside for the Department of Energy. I don't know what the Department of Energy is going to use this money for. Perhaps it's going to be to study rebates or perhaps it's going to be a public relations campaign to try to convince Albertans one last time that energy deregulation will work. When the government tries that, I would urge all Albertans to visit our web site, altaliberals.ab.ca, and if you're a customer in Aquila/EPCOR or EPCOR or Enmax or ATCO, you can see the savings that you can make by following our low-cost energy plan and unplugging electricity deregulation. Perhaps if the citizens would have a look at that web site, then the \$3.3 million requested by the Department of Energy would not be necessary. Certainly, I hope this is not a public relations campaign like the one we had on Kyoto or the one that we had in Bill 11, any of those campaigns where we tried to swing public opinion in our favour with tax dollars.

Now, this government has relied, Mr. Speaker, on supplementary supply as opposed to good budgeting techniques to finance programs throughout the fiscal year. In fact, during most years the government requires two appropriation acts to see them through the year. This reliance on in-year spending is indicative of a government that has difficulty developing a fiscal plan and then sticking to it.

The constituents of Edmonton-Gold Bar, whenever they assemble at Kenilworth school, always ask the question: we know there's so much more money being spent on programs; is it true that it's close to a 50 percent increase in program spending in the last five years? And, yes, I admit that it's true, and they say: well, where's all this money going? That's a question that I'm going to have to be diligent in pursuing.

Many hon. members, Mr. Speaker, will say: well, you're the chairman of Public Accounts; you should know where every dime goes. And I'm afraid I don't. That's a hard job, to find out where this government spends money. Certainly spending has increased, but where the money goes is the question that's on the minds of public school parents in Edmonton-Gold Bar.

Now, the government stakeholders, of course, include school boards, regional health authorities, and construction firms, and all these stakeholders are incapable of long-term planning because of the stop-and-start funding that they receive. An example of that

would be one public school in the constituency of Edmonton-Gold Bar that has been on the list for reconstruction twice. It has been denied twice because of this stop/start spending, and in the process and in the time period between the first denial and the second denial the cost of the reconstruction and retrofit of the school has increased by well over a million dollars.

Dr. Taft: Is that a waste?

Mr. MacDonald: That is poor planning.

Dr. Taft: It's a complete and utter waste.

Mr. MacDonald: It's a complete and utter waste; I would agree. That is one example.

Another example is, unfortunately, a senior high school. The gymnasium ceiling had tiles falling off, so the school board had hired a scaffolding company to construct this scaffolding to remove them because it was an issue of public safety and student safety.

Dr. Taft: Was there asbestos?

Mr. MacDonald: There was not any asbestos that this member is aware of, but the school board, unfortunately, only had enough money to remove the tiles. They didn't have any money to replace them, and on a night like tonight, when the temperature is so cold, there is reduced insulating value in the gymnasium of that high school, and because of the budget cuts, the stop/start spending, after the ceiling tiles had been removed, the scaffolding was disassembled. The school year started again, and what's going to happen? The school board has to hire the scaffolding company twice instead of once because they only had the budget to remove the tiles, not to purchase new ones and replace them while the scaffolding was in the school last summer.

This is a desperate waste of money, and I want to see this stopped. Long-term planning not only applies to electricity generation, transmission, and distribution in this province. Long-term planning also applies to regional health authorities and to school boards, and their hands are tied because they don't know where the next dollar is going to come from.

Now, the government, the province had requested this year well over a billion dollars for in-year spending, and this illustrates a lack of solid budget management. Last year the government requested slightly more, \$1.4 billion. The government of Alberta continues governing and spending without any definite plan. As I illustrated earlier with the examples of the two public schools in the constituency of Edmonton-Gold Bar, the lack of a plan ultimately costs Alberta taxpayers more as they have to pay for the stopping and starting of projects year after year after year.

9:50

Next year, Mr. Speaker, this government hopefully is going to have to change their tune. After almost a decade of Liberal calls for more stability in this province the government is going to finally adopt the Alberta Liberal plan for fiscal stability with Bill 2. Speaking of Bill 2, there are two hon. members of this Assembly within view of this member who sponsored a similar bill. We have to always remember that we're talking about stability, not sustainability. Sustainability may be a public relations exercise for the government and for the folks over at the Public Affairs Bureau, but everybody knows that it's a stability fund to stabilize funding with the ups and downs of the oil and gas prices.

Now, Bill 2 will limit the government to only \$3.5 billion a year for operating expenses that are there no matter what – right? – but it will be interesting to see how this government reacts when they are

forced to make a change in their spending habits. This government has never been constrained in the amount that they can spend, and we hope that they do not face constraints this time.

Hopefully, Mr. Speaker, as a result of strong energy markets we'll be able to work ourselves into a sound fiscal future. We're going to end, hopefully, the three-month budgeting plans and, I hope, the three-year budgeting. We talk about quarterly reports and business plans from one year to the next. I would urge this government to go beyond the Liberal plan and have a close look at what the state of Alaska has: 10-year plans. I know that it would be challenging for this government, but I think they should try. It would be interesting to see them go from a three-year plan to a 10-year plan and just see what happens.

Should one support this appropriation bill until the government comes forward? Should it be supported, or should we wait until they provide some explanation as to how the additional expenditures will help the government meet its performance measures?

Ms Carlson: Let's wait.

Mr. MacDonald: The hon. Member for Edmonton-Ellerslie is urging not only this member but other members of the House to wait. Let's see what happens here.

The performance measures and the goals of the various departments should direct department spending. The fact that this government spends outside of these guidelines means that this government is governing without a plan. We simply cannot support the fact that this government is governing without a plan. A government that is committed to measuring performance should be taking the business plans to heart rather than having them gather dust on some government shelf. If they're not gathering dust and they're going to be an embarrassment, well, we'll just change them so that there is a different meaning.

More different departments are requesting additional money through Bill 17, Mr. Speaker, than in past years. This would seem to indicate that the government is having a more difficult job managing their finances. The fiscal roller-coaster ride in Alberta is unacceptable, and disallowing the government use of supplementary supply is one way to slow down the fiscal roller-coaster ride that we're now on. If Albertans want to see a roller coaster, they'll go to West Edmonton Mall. They don't need to have a look at this government's up and down and up and down and the stopping and starting.

Now, if this government expects to limit its expenses to the \$3.5 billion a year in the future, it had better start to practise now. What better way to practise than by voting against the appropriation act this year. Additionally, the government promises to limit the size of its economic cushion down from 3.5 percent to just 1 percent. In this fiscal year that amounts to only \$200 million. The government has requested nearly \$207 million in this bill, Bill 17, alone.

Now, when we look at the various sections, Mr. Speaker, and the various departments, Aboriginal Affairs and Northern Development is requesting \$1.4 million to provide for Alberta's initiative on aboriginal consultation. I certainly, in light of what's been going on in northern Alberta, would like to know how this money is going to be spent. The money requested falls under the land and legal settlements line item. What would be the total cost of this program?

Agriculture, Food and Rural Development, as I said earlier, is requesting close to \$40 million, and the Official Opposition believes that farmers need stable and predictable income, not ad hoc support programs. Furthermore, the ad hoc support programs are biased and inflexible. The Official Opposition would like a firm income insurance program based on farmers' lost income, not on margin, yield, or production value. The program would give farmers the

freedom to make production decisions midseason.

Economic Development has requested \$4 million more to provide additional funding for tourism and marketing services. This money, as I understand it, is going to be split up across various line items under the tourism marketing section. Now, why couldn't this department wait for the next budget to ask for an increase given that there are no items in tourism where there could be an immediate demand for this money within the industry? One would have to ask: what specifically will these funds be used for? Are they going to be used for travel, promotion, or are they going to be used for developing the tourist industry into something that will provide long-term economic benefits for future generations of Albertans? Tourism, in the view of this member, will certainly be a very large industry in the next 50 to 60 years in this province. Why weren't the original allocations enough in the Economic Development portfolio? Did certain programs return over budget? What will the return on this additional 4 million dollars' worth of investment be given that the tourism industry is supposed to bring a return on its investment?

Now, Mr. Speaker, we talked about energy a little earlier, and if many Albertans and many government members would take the time and visit altaliberals.ab.ca, they would see for themselves the savings that could be had with our low-cost energy plan, and perhaps this money in Alberta's Department of Energy would be unnecessary.

The Environment department is requesting \$2 million "to accelerate grant payments to local authorities under the Alberta Waste Management Assistance program." What type of emergencies in waste disposal have arrived such that the budgeting amount was not sufficient? Why do the payments need to be accelerated, Mr. Speaker? Will there be a reduction in next year's budget to compensate for the increase in this year's budget?

Government Services is the next department on the long list here that's going to get some extra cash. The department is requesting 4 and a half million dollars to provide funding for the initial phase of a driver's licence upgrade program. Now, that's noteworthy in itself. I don't know how many times in the last year there have been questions about drivers' licences and the validity of them in this province. The system does not seem to be working. Any time a driver's licence program is altered, there is a chance that personal information, of course, may be released. The last time there was information released from that department, one of the Edmonton newspaper reporters found them fluttering in the summer breeze.

10:00

Dr. Taft: No kidding. How did that happen?

Mr. MacDonald: I have no idea how that happened, but it was definitely a breach of security. Definitely.

Mr. Speaker, what upgrades are going to be made in this initial phase with Government Services, and again how are the future phases of this program going to be funded? [Mr. MacDonald's speaking time expired] That's disappointing because there are many departments left.

Thank you.

The Acting Speaker: The hon. Member for Edmonton-Riverview.

Dr. Taft: Thanks, Mr. Speaker. It's very difficult to follow in the footsteps of the Member for Edmonton-Gold Bar and his eloquent words on this bill, which is an important bill for the government to get, Bill 17, Appropriation (Supplementary Supply) Act. I just have a handful of comments.

I am struck by the nature of this bill, and I have concerns about the budget process in general. We'll be coming up, I guess, in a month or so to the third budget since I became an MLA, and it's not even going to be tabled, I don't think, until we're actually into the next

fiscal year, which will be the second out of three budgets, at least, that are that late. This particular bill is part of the budget process, and the fact that we're into our second supplementary supply bill in three months tells me that the budget process is a bit out of whack and needs to be improved. Budgets are late. Business plans are extremely late. I know that in the regional health authorities many of their business plans weren't approved until the second and, in some cases, the third quarter of the year. So there are some really serious problems with the budget process.

There's an ancient Chinese proverb that says: govern a great nation as you would cook a small fish. Some members might like me to repeat that: govern a great nation as you would cook a small fish. Now, I have pondered the meaning of that proverb, and I think what it means is that no matter how big the issue, you need to pay careful attention to the details. You need to be very delicate, very precise, and pay great attention to details. We all know that if we were cooking a small fish, a minute or two too much and it'll be overcooked. In the same way, I want to pay careful attention to the budget. I mean, it's a \$20 billion bill, a \$20 billion piece of expenditure, but every dollar counts. I'll just raise a handful of issues about this great budget, and hopefully it will help the government cook it like a small fish.

The hon. Member for Edmonton-Gold Bar has already referred to a couple of the departments that I had questions about, and I won't repeat his oratory. I do have a particular question around the Justice department, and I bet the Environment minister might have some comments here too. I see that the Justice department is requesting \$2.6 million, and of this \$500,000 is for external legal costs related to Kyoto, \$500,000 to a law firm to study Kyoto.

Ms Carlson: Two law firms.

Dr. Taft: Well, in fact, the Member for Edmonton-Ellerslie is saying, "Two law firms." The truth is that I don't know how many law firms are involved. There could be a whole number of them.

I would be most interested to see some more details on where this half million dollars is going. What are the billable rates? What work is being done here? Will we ever see in the public or in this Assembly the results of that \$500,000 in legal fees? In fact, there's so much contracted out by this government to legal firms; it's astonishing. So that's one particular area that certainly caught my attention.

I do note also as the health critic that in this bill there are no requests for supplemental spending for health. Hats off to the Minister of Health and Wellness for that if this is any indication that he's managing to finish out the fiscal year without needing any supplementary supply bills. So good for him. Good on him.

Otherwise, I would simply be repeating some of the comments of my colleague from Edmonton-Gold Bar, and I won't bother doing that. So with those comments, I'll take my seat.

Thank you, Mr. Chairman.

The Acting Speaker: The hon. Minister of Finance to close the debate?

[Motion carried; Bill 17 read a second time]

Mr. Zwozdesky: Mr. Speaker, I think it's been an excellent day of progress with some very enlightened debate, and as a result, I would move that the Assembly now stand adjourned until 1:30 p.m. tomorrow.

[Motion carried; at 10:07 p.m. the Assembly adjourned to Tuesday at 1:30 p.m.]