

Legislative Assembly of Alberta

Title: **Wednesday, March 5, 2003**

1:30 p.m.

Date: 2003/03/05

[The Speaker in the chair]

head: **Prayers**

The Speaker: Good afternoon.

Let us pray. O Lord, grant us a daily awareness of the precious gift of life which You have given us. As Members of this Legislative Assembly we dedicate our lives anew to the service of our province and of our country. Amen.

Please be seated.

head: **Introduction of Visitors**

Mr. Jonson: Mr. Speaker, I am pleased to introduce to you and through you to members of the Assembly Mr. Robert Helfenstein, the consul general of Switzerland, on his first official visit to Alberta. He is accompanied today by the honorary consul for Switzerland here in Edmonton, Mr. Dobler. Alberta and Switzerland have a strong trade and investment relationship totaling tens of millions of dollars a year and covering a range of areas including technology and pharmaceuticals. Switzerland is the sixth largest source of investment in Canada, a significant amount of which impacts our province. Tourism is also an important part of this relationship with thousands of Swiss tourists coming to Alberta each year and many Albertans visiting Switzerland as well. There are more than 17,000 Albertans of Swiss origin, and we appreciate how much they have contributed and continue to contribute to the building of this province. I would ask that our honoured guests please rise and receive the traditional warm welcome of the Assembly.

head: **Introduction of Guests**

Mr. Klein: Mr. Speaker, I don't know if my guests have arrived. Oh, they are here. Good. Now I can introduce them. I'm pleased to introduce to you and through you to members of the Assembly a group of individuals who participated in a fund-raising auction held this past December in support of the Edmonton Christmas Bureau. The *Edmonton Sun's* Hicks on Six successful phone-in auction raised a record \$65,750, and my office was happy to help out with a donation of a lunch with me and a visit to the Legislative Assembly. The Christmas Bureau is a most generous organization that helps many Edmontonians to enjoy the Christmas season. Visiting the Assembly are Todd Bish, Michelle Sigurdson, and Vivian Manasc, who couldn't join us today because she had to conduct a seminar. But Todd and Michelle are seated in the members' gallery, and I would ask that they rise and receive the warm welcome of the Assembly.

The Speaker: The hon. Member for Medicine Hat.

Mr. Renner: Thank you, Mr. Speaker. It's my pleasure today to introduce to you and through you to members of the Legislative Assembly some special guests that we have seated in your gallery this afternoon. I would like to introduce Mr. Barry Penner, who is the MLA for Chilliwack-Kent in the British Columbia Legislature and president of PNWER, the Pacific Northwest Economic Region. Accompanying him today is the executive director of PNWER out of the Seattle office, Mr. Matt Morrison, and also the director of U.S./Mexico relations from International and Intergovernmental Relations in Alberta, Mr. Marvin Schneider.

As you know, PNWER is a significant organization, that the province of Alberta is proud to participate in, dealing with regional cross-government and cross-border initiatives. It's a public/private partnership, and as such these gentlemen are in the city with us today to meet with legislators, government officials, and representatives of the private sector in anticipation of and making final plans for a conference that Alberta will be hosting in Calgary this July. I would ask these gentlemen to rise and receive the traditional warm welcome of all members of the Assembly.

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

Mrs. Jablonski: I'm sorry, sir. Because of the roads today my kids had to cancel.

The Speaker: The hon. Member for Lacombe-Stettler.

Mrs. Gordon: Thank you very much, Mr. Speaker. I would like to introduce to you and through you 52 visitors from Lacombe upper elementary school in the constituency of Lacombe-Stettler. These are enthusiastic grade 6 students who asked me a number of great questions. With them are teachers Mr. Derek Rankin and Miss Heather Mackay; as well, parent helpers Mrs. Hendrika Derks, Mrs. Colette Burnham, Mrs. Rochelle Bos, Mr. Garry Evernden, and Mrs. Barbara Westwood, who went to school in Lacombe with our very own David Gillies. I would ask them to rise and receive the warm welcome of the Assembly.

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

Mr. Lord: Thank you, Mr. Speaker. It's my pleasure to rise today to introduce to you and through you to all members of this Assembly a very special guest and a very conservative kind of guy. We have with us today the Alberta director of the Nature Conservancy of Canada, a group which works to conserve working landscapes all across the country and which has been instrumental in helping to conserve an amount of land across our province which is almost comparable in size to the city of Calgary. It's a wonderful win/win environmental success story in this province. I would ask Mr. Larry Simpson, seated behind me, to please rise and receive the warm welcome of this Assembly.

The Speaker: The hon. Member for Drayton Valley-Calmar.

Rev. Abbott: Thank you, Mr. Speaker. It gives me great pleasure to rise today and to introduce to you and through you to all the members of this Assembly a young political science student who is attending Grant MacEwan College. He is a resident of Calmar in my constituency. In a couple of weeks he will be heading to Ottawa as a foreign affairs youth delegate representing Alberta. I would ask Kris Palmer to please rise and receive the warm welcome of the House.

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

Dr. Taft: Thank you, Mr. Speaker. I'm very pleased today to introduce to you and through you to the Legislative Assembly members of the United Nurses of Alberta negotiating committee. The United Nurses of Alberta represent thousands of registered nurses, registered psychiatric nurses, student nurses, and mental health workers. These are caring professionals who work long hours in sometimes very difficult conditions. They are seated in the members' gallery, and I'd ask each of them to rise as I call their

name: Nicole Bownes, a home care nurse in Edmonton; Judy Brandley, a public health nurse from the Chinook health region; Arlene Moreside, a public health nurse from Peace River; Linda Currie, a staff nurse from the Brooks health centre; Ken Ewanchuk, an emergency room nurse at the Foothills medical centre; Bridget Faherty from the Queen Elizabeth hospital in Grande Prairie; Phyllis Footz, a community health nurse from Tofield; Ruth Jeannotte, a long-term care nurse from Lethbridge; Sandi Johnson, a public health nurse from Calgary; Sandra McLean, a registered psychiatric nurse in Camrose; Heather Smith, president of the UNA since 1988; Pauline Worsfold, a recovery room nurse at the U of A hospital; David Harrigan, the UNA director of labour relations and chief negotiator; and Mark Cowan, the labour relations officer with the United Nurses of Alberta. Please give them a warm welcome.

The Speaker: The hon. Member for Redwater.

Mr. Broda: Thank you, Mr. Speaker. It's my pleasure to rise today to introduce to you and through you a friend and constituent, Major Jack Ashford, and his son Marc. Jack is a member of the armed forces at Edmonton Garrison. He's also a town councillor for the town of Gibbons. Today he brings his son Marc to visit the Legislature. Marc wasn't able to visit the Assembly here last year because of a strike and is very interested in the Legislature itself. He also had the opportunity of visiting our own Sergeant-at-Arms, Mr. Brian Hodgson, this morning. They're both seated in the members' gallery, and I'd ask them to please rise and receive the warm welcome of this Assembly.

1:40

Mr. Jonson: Mr. Speaker, today it is with great pleasure that I rise to introduce to you and through you to members of the Assembly four members of the Samson Cree Nation administration who are seated in the members' gallery. I'm pleased to introduce Pat Buffalo, Glenda Swampy, Rose Saddleback, and Roy Louis. Roy Louis, I think, is perhaps not there. They were here for meetings in the Legislature today with the Minister of Gaming, and it is great to have them here at the Legislature, particularly considering they are some former students of mine going back a number of years. So please join me in welcoming them to the Assembly.

head: **Oral Question Period**

Health Care Labour Legislation

Dr. Nicol: Changes to our public health care system are now proceeding via government committees, backroom deals, even shutting out government MLAs. Revelations of a secret cabinet committee set to infringe upon workers' democratic rights is only the latest example of this government's bungled attempts to manage one of our most precious resources, our health care professionals. To the Premier: why did the government jeopardize fair and balanced negotiations by establishing cabinet committees and shutting health care professional workers out altogether?

Mr. Klein: Mr. Speaker, as I explained yesterday, it's the responsibility, indeed the duty, of the government to establish policy. It's not uncommon to strike committees, either committees of MLAs, other government members, or cabinet committees, to study specific problems. This is not unusual indeed. I think that there are about 60 or 70 committees now doing work in various aspects of government services to develop policies, programs, consider changes to regulations, legislation, and so on. So it's not unusual, unfortunately, or fortunately, I guess, for Albertans, that the Liberals will never have

the opportunity to understand and to experience how government carries out its business and develops policy.

The point is this: the committee chaired by the hon. Minister of Innovation and Science looked at ways to simplify and clarify labour relations in the health care sector as well as other sectors of the public service. The committee is considering – and I have to be careful, Mr. Speaker, because the legislation, I think, is either before or about to come before us – changes that will streamline labour relations and ensure that all workers are treated fairly and consistently and, most importantly, result in better integrated health services for Albertans.

That's what it's really all about. It's about patient care. It's about care for the patient, care for the sick and injured, Mr. Speaker. We have to remember also that 90 percent – I think the hon. Minister of Health and Wellness pointed out yesterday – of health care workers already don't have the ability to strike because they are deemed to be essential. So we're not proposing a major change, and RHAs of course have asked the government to update their labour relations rules because they haven't kept up with changes in the health care system.

Dr. Nicol: To the Premier: how will antagonizing and pre-empting thousands of frontline health care staff lead to that better health care delivery that you just spoke about?

Mr. Klein: Mr. Speaker, I don't know what he's talking about: pre-empting. Basically, it was a policy and it is a policy of this government to reduce the regions from 17 to nine. As we reduced the various health authorities from over 200 to 17, now we're going down to nine. Quite simply, we want to streamline and bring labour relations activities associated with the regionalization in line with that regionalization to achieve some expediency.

Dr. Nicol: To the Minister of Health and Wellness: why is this government jeopardizing patient care by pushing more frontline staff out of the province and into other countries? [interjections]

The Speaker: The hon. minister has the floor.

Mr. Mar: Mr. Speaker, I think the Premier has very completely outlined the purpose of what we are doing with respect to our labour legislation, keeping in mind that the regional health authorities are looking for this kind of change so that changes that will help streamline the bargaining process with our unions will actually match the kind of efficiencies that we've achieved in the health care system.

We have made dramatic changes, moving from 200 hospital boards in this province to 17 regional health authorities, now down to nine. As an example, Mr. Speaker, there are dozens of collective bargaining units with the Calgary health region. I believe that in the David Thompson health care region there are something like close to 90 collective bargaining units. So the idea that a regional health authority should have to administer in the case of Calgary some 16 or 17 collective agreements is a great waste of time. Our bargaining process should reflect the kinds of changes that we've made in the health care system.

Water Use by Oil and Gas Industry

Dr. Nicol: Yesterday the Premier, the Minister of Environment, and the Minister of Energy gave the green light to the energy industry to continue to deplete freshwater, which is a scarce resource in Alberta. My question to the Premier: why is the energy industry being treated

differently than communities, agriculture, and other industrial producers in this province?

Mr. Klein: Mr. Speaker, there isn't. When the media asked me in the scrum, which was attended by the hon. leader of the Liberal opposition, a reporter accused or said that the hon. Minister of Energy said in this House, I guess, that water was to be free for oil companies, when, in fact – and I read from *Hansard* – in answer to the hon. Member for Edmonton-Beverly-Clareview's question the hon. minister said:

Mr. Speaker, appropriately, the member has brought to the House the question of conservation of water, and just as conservation is important with any resource or any commodity, it's also important with water. Now, in fact, there does seem to be continuing discussion and some confusion regarding allocation of the use [of water] by the oil and gas industry. Department data indicates that the actual volume of freshwater used by the oil and gas industry for oil field injection purposes is approximately one-sixth, or six times smaller than the estimates of the allocation just quoted by the member. In fact, only 3 percent of all water in this province is allocated for use in oil field injection and surface mining and oil sands projection.

I quote that because nowhere in that answer or in subsequent answers, Mr. Speaker, did the hon. minister allude to water being free. As a matter of fact, there isn't any plan to put in a water pricing system at this time, but that's not to say that we won't be looking at the idea in the future. The province's new water strategy contains a draft recommendation to look at water policy, water pricing, and polluter charges as incentives to stimulate changes in water use, and we'll be asking Albertans what they think of that strategy this spring. That's all there is to it.

Dr. Nicol: Mr. Speaker, they also spoke about suggestions and changes that were going to be put to the oil industry.

To the Premier: by creating different expectations for different industries, are you not picking winners and losers, something you promised Albertans you wouldn't do?

1:50

Mr. Klein: Mr. Speaker, the question may be fair, but it's still dumb.

You know, what I said is that one has to consider the tremendous costs incurred by oil and gas companies when they set to explore and to produce oil and gas and the tremendous risks that they take in terms of hitting nothing but a dry hole. So, Mr. Speaker, there's a tremendous cost to an industry that really drives or is the engine of our economy, and we've got to be fair. But relative to water pricing and water policies, as I indicated earlier, that will be a matter for public discussion and public consultation this spring.

The Speaker: The hon. leader.

Dr. Nicol: Thank you, Mr. Speaker. Voluntary compliance hasn't worked. Why isn't the government encouraging the energy sector to adopt other alternatives instead of using freshwater?

Mr. Klein: Well, Mr. Speaker, again, if you go back to *Hansard* – and I think I'm allowed to quote from *Hansard* – the question asked by the hon. Member for Edmonton-Beverly-Clareview was:

Again to the same minister: why are oil companies using Alberta's freshwater instead of so-called brackish water or CO₂ for their recovery purposes?

The answer by the hon. minister was as follows:

Well, Mr. Speaker, the issue of using potable water in injections is not a new one. In fact, the former Member for Grande Prairie-

Wapiti, Mr. Wayne Jacques, brought this up some eight years ago. The industry continues to be a licensed and a responsible user of water, and in fact I think you can see that we're starting to see in the industry moves toward recycling the water, moves toward reducing the amount of freshwater, and moves toward using salt and brackish water, or saline water, where it can be obtained.

Nothing could be clearer than that.

The Speaker: Third Official Opposition main question. The hon. Member for Edmonton-Ellerslie.

Ms Carlson: Thank you, Mr. Speaker. Instead of talking about water pricing, let's talk about the lack of water conservation in this province because lack of freshwater will end the Alberta advantage. My question is to the Minister of Energy. Will he tell this House how many billions – that's how many billions – of litres of water the energy industry uses in this province every year with the blessing of his government's policy?

Mr. Smith: Mr. Speaker, that's an important question, which we're going to work very hard to work on an answer. I guess the fingertip statistics that I have are that the oil and gas industry drives 30 percent of a \$150 billion economy. That's about \$45 billion. Last year the oil and gas industry was the number one capital investment vehicle in Alberta and has remained so for many years. The oil and gas industry continues to employ some 25 to 30 percent of all Albertans. This industry since Leduc and, in fact, in budget projections in the last three fiscal years will deliver some 20-plus billion dollars in oil and gas royalties to this government for the use of the people of Alberta. Those are the figures I have in my statistics.

Ms Carlson: Mr. Speaker, to the same minister: Mr. Minister, isn't it true that while you don't monitor how much they use, the industry itself says that under the policies of this government the energy industry is accessing 30 percent of all Alberta's groundwater resources?

Mr. Smith: If I can refer to an answer that I gave yesterday that's already been quoted today in the House, Mr. Speaker, it does talk about the utilization of water in the industry. Reading from my answer of yesterday:

Government data indicates that the actual [amount] of freshwater used by the oil and gas industry for oil field injection purposes is approximately one-sixth, or six times smaller than the estimates of the allocation just quoted by the member. In fact, only 3 percent of all water in this province is allocated for use in oil field injection and surface mining and oil sands projection. The industry only uses 33 percent of the total allocation.

Ms Carlson: Mr. Speaker, at the appropriate time I will table the industry release that says 30 percent of groundwater.

To the same minister: given that more than 170 billion litres of water each year from this province used to recover oil will not be available to the ecosystem or for human use for tens of thousands of years and given that this province is already facing drought and water shortages, why is this government going to exempt the oil industry from mandatory water conservation and efficiency measures?

Mr. Smith: Well, Mr. Speaker, the two givens that are the preamble to the question make it impossible to answer the question because it imposes a hypothetical and, in fact, impossible situation.

The Speaker: The hon. Member for Edmonton-Highlands.

Energy Prices

Mr. Mason: Thank you very much, Mr. Speaker. The Minister of Energy's answer to those who can't afford sky-high home heating bills . . . [interjections]

The Speaker: Hon. members, the hon. Member for Edmonton-Highlands does have the floor.

Mr. Mason: Thank you very much, Mr. Speaker. The Minister of Energy's answer to those who can't afford sky-high home heating bills is: turn down the thermostat, and put on a sweater. There may be a run on knitting needles and yarn, but Albertans know that this is an attempt to trivialize their difficult situation. Will the minister admit that his home heating strategy involves nothing more than two knitting needles and a ball of wool?

Mr. Smith: Mr. Speaker, I appreciate the member's question. In fact, if I were actually to refer to strategies that are on web sites by the utility companies that supply natural gas in Alberta, you would find that they talk about turning down thermostats. You'll find that they talk about being able to lower the temperature in a home. This valuable information on reducing consumption, a strong conservation message for the natural gas that's used in Alberta, can save Alberta homeowners and renters upwards of a hundred dollars in a heating season. There are tremendous new technologies and new innovations in that. In fact, some of that includes computer-controlled thermostats. Some of that concerns putting information with respect to home heating in the homes. Also, insulation is a very important piece.

So I think that each and every one of us has a responsibility for our own conservation in our own home as well as in our place of work.

The Speaker: The hon. member.

Mr. Mason: Thank you very much, Mr. Speaker. Why are Albertans being forced to start up web sites for cold people such as www.coldpeople.com in a desperate attempt to get the message through to this government that sky-high home heating bills are really hurting people?

Mr. Smith: Well, you know, Mr. Speaker, when I pick up the phone and answer the phone, I get some discussion of different and various ways to help Albertans cope with increasing commodity prices. In fact, here's one that says:

Personally I looked ahead 2 years ago at what was happening and replaced all windows, purchased an automatic thermostat, insulated my attic to above standard, and refinished my basement with lots of insulation along with a high efficient furnace. Thankfully Karen and I are able to afford this unlike many other Albertans. The price I think will only go higher so money well spent and I get my own personal rebates every day.

The Speaker: The hon. member.

Mr. Mason: Thank you very much, Mr. Speaker. Well, perhaps the minister can respond to the citizen who indicated that she only burns one bulb at a time, wears long underwear, sets the thermostat at 15 degrees, takes sponge baths instead of showers and baths, does the laundry in the sink, and has cut back on cooking as a result of high energy prices. Can the minister respond to that citizen?

2:00

Mr. Smith: Well, Mr. Speaker, you know, the last time I saw somebody knitting beside an important event, it takes me back to the

French revolution. That person sat there and knitted and cackled and laughed while people died. So, in fact, instead of doing that in this House, we have taken steps. We have a Natural Gas Price Protection Act to serve people. We have a seniors' program that protects seniors. We have a low-income program that protects people in need. This government understands the importance of this industry to this province, it understands how critical it is to assist people in their time of need, and it also helps Albertans plan for the future.

The Speaker: The hon. Member for Grande Prairie-Smoky, followed by the hon. Member for Edmonton-Gold Bar.

Aboriginal Economic Development

Mr. Knight: Thank you, Mr. Speaker. I continue to receive questions from constituents with respect to First Nations involvement in resource projects. I would like to pursue another, more positive side of this story today. The aboriginal policy framework outlines a commitment to work with aboriginal people to ensure that they're involved in the economy. There is still a great deal of unemployment on reserves in northern Alberta, in fact in some cases up to 90 percent. Can the Minister of Aboriginal Affairs and Northern Development tell us what is being done to ensure that aboriginal people can be part of the economy?

The Speaker: The hon. minister.

Ms Calahasen: Well, thank you very much, Mr. Speaker. First of all, the hon. member is correct. There is still a great deal of unemployment on reserves, in fact even off reserves. Economic development is the cornerstone of the aboriginal policy framework. It is really important to make sure that we continue to do that. Certainly, getting a job is one sure way of dealing with unemployment on or off reserve.

We're making great progress, Mr. Speaker. As a matter of fact, on a national scale via the federal, provincial, territorial, and aboriginal ministerial forum it's a priority. In fact, we've recently had business summits in Toronto, as a matter of fact on February 19 and 20, showcasing business partnerships and encouraging the partnerships to occur. We've also seen on a western basis that there'll be a western business summit, as well, in Saskatoon from March 24 to 26 to ensure that we continue to highlight business partnerships, to encourage all sorts of different jobs that'll be available.

Mr. Speaker, on the provincial side we're ensuring that educational and skill development occurs in preparation for jobs, which is a cornerstone of whatever happens, and encouraging industry to do joint ventures and partnerships with First Nations and Métis. That's something that we have to continue to do and make sure that we do a good job of it.

Mr. Knight: Mr. Speaker, to the same minister: given the fact that there is aboriginal economic development occurring, can the minister tell us what types of partnerships exist today in Alberta?

Ms Calahasen: Well, Mr. Speaker, first of all, over 50 partnerships have been developed so far, and more and more are coming. As an example, I just want to read some of the examples that I have. In the oil and gas industry Athabasca Chipewyan First Nation and Aqua Jeters & Aqua Sonics business venture uses a new ultrasonic wave method to remove bitumen. Aseniwuche Winewak Nation signed a guiding principles agreement in March 2001 with Chevron Canada and Burlington Resources setting out guiding principles in the areas of land stewardship, project consultation, education and training,

employment and business opportunities. In fact, in the member's own constituency Sturgeon Lake First Nation and Devon Energy signed a joint venture partnership for the production of oil wells on the reserve and for the provision of oil and gas services from the First Nation to Devon Energy.

On the forest industry side, Mr. Speaker, Weyerhaeuser Canada Ltd. has relationships with Little Red River Cree, Horse Lake First Nation, and Sunchild/O'Chiese for various forestry contracts, an agreement to promote business, employment, training, education, and communication. Tolko Industries has relationships with Whitefish Lake First Nation and Driftpile First Nation for fibre supply agreements and harvesting contracts.

Mr. Speaker, on the energy side, very important . . .

The Speaker: That's fine, hon. minister. Perhaps you'd be kind enough to table in the Assembly the document from which you are quoting or take advantage of the opportunity for a ministerial statement.

The hon. member.

Mr. Knight: Thank you, Mr. Speaker. I thank you for the answer. I wasn't aware of the depth.

My final question. To the Minister of Economic Development, Mr. Speaker: are there any further plans to encourage aboriginal people to get involved in the Alberta advantage?

Mr. Norris: Well, yes, Mr. Speaker. At the outset I'll try and be a little more brief in my answer to my hon. colleague, although brevity is not a skill Irish people are famed for.

Mr. Speaker, we are partnering with the hon. minister's department on a number of different issues. One of the more important ones is the tourism framework. We're looking at aboriginal tourism as an initiative. We are also encouraging aboriginal groups to join our regional alliances, of which there are now nine throughout the province of Alberta. I believe that the member is a member of the Grizzly Economic Alliance, and those alliances are set up to develop regional economies. We are also looking at funding to the Métis associations for economic development. Finally, we're looking at a program specific to aboriginal business through the Business Link, which is funded by our department. It operates out of Edmonton. There's a similar operation in Calgary as well.

I would like to comment and commend my colleague the Member for Lesser Slave Lake for doing such a good job on such a vitally important file, and we're honoured to work with her on it.

The Speaker: The hon. Member for Edmonton-Gold Bar, followed by the hon. Member for Edmonton-Glenora.

Natural Gas Rebates

Mr. MacDonald: Thank you, Mr. Speaker. Over 600 Redwater residents have added their names to the long list of frustrated Albertans over this government's broken election promise. Two years ago during the election the Premier said:

High oil and gas prices are both a blessing and a challenge . . .

Thanks to oil and gas royalties, Alberta is the only province that can help its citizens. We are returning gas royalties to [our citizens] through our rebate program.

My first question is to the Premier. Why was this government so eager to give substantial natural gas rebates to farmers, homeowners, and businesses during the election year, but now, two years later, you continue to break your promise?

Mr. Klein: Well, first of all, Mr. Speaker, we're not breaking our

promise. Secondly, I can't understand, for the life of me, why the hon. member is so upset that we're not doing that now, because they were highly critical of the program at that particular time. Now they're saying: bring it in; bring it in. They want it, you know. There's the old adage about sucking and blowing, that you can't do both at the same time, and they seem to be able to do it.

Mr. Speaker, as a result of that program, that was brought in because of extraordinarily high natural gas prices, prices that reached over, I believe, \$10 a gigajoule at that time and an average price that far exceeded the average Alberta bench price of \$5.50 a gigajoule – we had to do something, but we also said that in the future we can't ad hoc this. Therefore, legislation was brought in to provide a sustainable protection program, and that protection program, as has been explained in this Legislative Assembly many times before, is based on a yearly average reaching \$5.50 a gigajoule. When that yearly average reaches \$5.50 a gigajoule, then the rebate program will kick in.

Mr. Speaker, I would suggest also that a little politics is being played here, and it's associated with the weather. You know, when the weather is warm, the politics will stop. You just wait and see.

Mr. MacDonald: Again, Mr. Speaker, to the Premier. These are your election promises made two years ago. When will this government keep the promise they made during the election year – and the promise was this: “to monitor prices and respond forcefully and appropriately” – and assist Albertans sitting in the cold with a sweater worrying about their high utility bills? When are you going to keep this promise?

Mr. Klein: Promises made, promises kept, Mr. Speaker. We said that we would bring in legislation, that we would bring in protection programs, and those promises are being kept as we speak today. We said at that time that we can't continue to deal with this on an ad hoc basis, that we have to bring in a program that is going to be sustainable. Therefore, the rebate program was brought in, and for these people to try to tell the Alberta public that they didn't know about it is not being truthful. I can't say that they're telling lies; it's unparliamentary. But it is being dishonest, because the regulations relative to the gas rebate program were published in a news release and put on the Internet in August of last year. So they knew full well that the legislation was in place, and the regulations were well publicized.

2:10

Mr. MacDonald: Again, Mr. Speaker, to the Premier: given that Albertans do not have a positive future, can you explain to us your goal, which was expressed in the election, that you're going to have available and affordable energy for all Albertans? Why have you broken your promise?

Mr. Klein: Mr. Speaker, available and affordable energy for all Albertans. Absolutely. Absolutely. That's what we have strived to do through our natural gas rebate protection program. Certainly, that's what we're striving to do, and that's what we're striving to do through deregulation.

I'd be glad to table this letter. It's a copy of a letter that was sent to me by Hunter Hunt of Hunt Power, LP. He says:

In closing, Hunt Power has experienced deregulation in the United States, the United Kingdom and now Alberta. We have seen deregulated markets that work and others that are fundamentally flawed. Alberta is on the right track. I encourage you to maintain your course to a fully developed competitive generation market. Finally, I would like to commend the Honourable Murray Smith for his dedication to Alberta's energy sector. Please feel free to contact

me directly should you have any questions or comments regarding Hunt Power and its involvement in Alberta.

By the way, because of deregulation here is a company that is proposing a 345-megawatt Crossfield energy station, Mr. Speaker, and he clearly points out that it's because of deregulation that they have entered the market to provide more power for Albertans and a bright future for Albertans.

The Speaker: The hon. Member for Edmonton-Glenora, followed by the hon. Member for Edmonton-Mill Woods.

International Offices

Mr. Hutton: Thank you very much, Mr. Speaker. I have been receiving a number of calls from constituents about the government opening international offices. My question is to the Minister of Economic Development. The Alberta government has a number of international offices in locations throughout the globe. Why has the government established these offices?

The Speaker: The hon. minister.

Mr. Norris: Well, thank you, Mr. Speaker. Before I address that, that document looks so comfortable in the hon. member's hands that maybe he should come on over and join us. It just fits. It looks so good. Such bright, good colours.

Mr. Speaker, the answer to the hon. member's question is that, quite simply, we have a remarkable story to tell here in Alberta. Because of the vision of the government that is currently in power, Alberta is one of the best investment vehicles in all the world. Those international offices are set up to spread the word about what goes on here: the Alberta advantage, the friendly business climate, the low tax regime, the understanding that business drives the economy. We want to increase trade from those jurisdictions to Alberta and let them know about the great place that Alberta is to invest in.

The Speaker: The hon. member.

Mr. Hutton: Thank you, Mr. Speaker. My final question is to the same minister. What is he using to gauge that these offices are meeting the needs of Alberta businesses?

Mr. Norris: Well, Mr. Speaker, that's not only a good question. It's a vital question, because we wouldn't operate these offices without some really serious checks and balances on behalf of the taxpayers of Alberta and the businesses of Alberta. What we have is a document that's tabled yearly called the AIMS document, which is the Alberta international marketing strategy, and in that we go out and consult with businesses throughout Alberta to ask them if the services we're providing are up to date and accurate, if the use of these offices is getting out there. To date I'm proud to report that of the people of Alberta who have used the offices, 87 percent respond that they have had either a good or a very good experience with the offices. But we can always make it better, because the Alberta story is just that great to sell.

The Speaker: The hon. Member for Edmonton-Mill Woods, followed by the hon. Member for Calgary-Lougheed.

Education System

Dr. Massey: Thank you, Mr. Speaker. The Alberta Commission on Learning heard the voices of many Alberta parents who are seriously concerned about the state of our province's schools. One of those

parents was Rhonda Ozckowski, who has some questions that she would like answered. My questions are to the Minister of Learning. Rhonda wants to know how many ways this minister needs to hear that her daughter's school, like every other school in this province, needs smaller class sizes before action is taken.

The Speaker: The hon. minister.

Dr. Oberg: Well, thank you very much, Mr. Speaker. It's a very interesting question. First of all, I'd like to say at the outset that I'm glad that the lady that the hon. member has spoken about has sent her letter to the commission. The commission has received about 15,000 submissions to this point, and they're currently in the process of tabulating them.

With regard to the class size issue, Mr. Speaker, I would hope that this hon. member knows and I would hope that he realizes that there are many papers or many documents that say that class size is very positive when it's smaller; there are other people that say that class size is not as positive when it's smaller. There are people that say that class size should be this particular number; there are others that say that class size should be that particular number. One of the challenges of the Learning Commission is going to be to sift through all of the research that is out there and try and dispel some of the myths that are out there. I anticipate having the response from the Commission on Learning back around the end of August, and it should be very interesting. I'm looking quite forward to what they have to say.

The Speaker: The hon. member.

Dr. Massey: Thank you. Again to the same minister, Mr. Speaker: Rhonda wants to know how many ways the minister needs to hear that her daughter's school, like every other school in this province, needs more teachers.

Dr. Oberg: Well, Mr. Speaker, I do not think that her daughter's education is as simple as having more teachers in the classroom, as simple as putting more teachers in their school. However, I'd be more than happy to look at her particular situation if the hon. member would just give me the name of the school and the school jurisdiction.

The Speaker: The hon. member

Dr. Massey: Thank you. Again to the same minister, Mr. Speaker: Rhonda wants to know how many ways the minister needs to hear that her daughter's school, like every other school in this province, needs to stop fund-raising for basics.

Dr. Oberg: Mr. Speaker, that's a very interesting question. I had a conversation with the chairman of the Edmonton public school board two days ago. He came and said that the only money that he received for teachers' salaries was the 4 percent and 2 percent. So the next question that I asked him was the obvious one: well, what did you do with the 3 percent and 3 and a half percent that you received? It must be for classroom conditions, and he said: yes, we put it into classroom conditions. Well, the next question, then, obviously is: if you had \$35 million, why on earth are you fund-raising for textbooks, if indeed you are? Those are the kinds of questions that we're looking at. Those are the kinds of questions that we're asking the Edmonton public school board as we go in with their audit.

The Speaker: The hon. Member for Calgary-Lougheed, followed by the hon. Member for Edmonton-Glengarry.

Calgary Ring Road

Ms Graham: Thank you, Mr. Speaker. The city of Calgary, along with many other communities in Alberta, is under a great deal of stress to accommodate the population growth due to our strong economy, and in my riding of Calgary-Lougheed, in southwest Calgary, the need for adequate roads is of critical concern to my constituents. One of the major problems is that my riding straddles Fish Creek provincial park and is bounded on the west by a two-lane road with a one-lane bridge, which is the only real main thoroughfare to get from south of Fish Creek park north to downtown Calgary. I see the Member for Highwood also indicating that his constituents need this improved road. Anyway, we understand that the city has now approved a widening of that one-lane bridge and of the road from south of Fish Creek park to Anderson Road, but this is a road that goes nowhere. So my question today is to the Minister of Transportation. We read in the papers that the city and the Tsuu T'ina nation are negotiating a ring road that would join Glenmore Trail to highway 22X, south of Fish Creek park. Is the province involved in this negotiation, and if not, why not?

2:20

Mr. Stelmach: Mr. Speaker, the chief of the Tsuu T'ina nation, Chief Sanford Big Plume, and also the mayor of the city of Calgary, Dave Bronconnier, had sent a letter to the Premier requesting representation from the province of Alberta in the negotiations between the two, and the Premier has replied, sent a letter back, and has delegated the Ministry of Transportation to participate in the negotiations.

Ms Graham: Mr. Speaker, given that the province will be participating, then, in this negotiation, does this mean that the road is a provincial highway, or will it be a city road, or do we know?

Mr. Stelmach: Mr. Speaker, our interest, of course, is to complete the Calgary ring road, and in order for it to be a ring road it has to have a multilane freeway status. If these negotiations produce fruitful and we do have the necessary right-of-way for an expressway, then I assume that the province will be involved.

The Speaker: The hon. member.

Ms Graham: Mr. Speaker, thank you. If this is a ring road, then will this be benefiting from the \$150 million that Allan Rock announced would be coming Calgary's way for a ring road?

Mr. Stelmach: Mr. Speaker, the hon. member raises actually a good question, because so far, to date, we've only received confirmation by way of a fax of \$150 million for the completion of ring roads for both Edmonton and Calgary. The comment was made that the federal government would pay for the ring roads around both of the cities. Well, the total cost of the ring roads is about \$2.6 billion, and if you read the last budget from the federal government, it had \$3 billion for infrastructure over 10 years. Our share of that would be about \$30 million, so I would think that at that rate it will probably take 86 years to complete.

The Speaker: The hon. Member for Edmonton-Glengarry, followed by the hon. Member for Edmonton-Strathcona.

Injured Workers' Allegations

Mr. Bonner: Thank you, Mr. Speaker. To the Minister of Justice:

when letters from injured workers alleging criminal wrongdoing in their cases with the WCB are forwarded to the Justice department by MLAs, what procedures does the ministry follow?

The Speaker: The hon. minister.

Mr. Hancock: I'm sorry, Mr. Speaker. I wasn't paying attention, and I do apologize.

The Speaker: An answer was provided. Question two.

Mr. Bonner: To the Solicitor General: when a letter alleging bribery involving the WCB is forwarded to the Solicitor General, what procedure does her department follow?

Mrs. Forsyth: Mr. Speaker, I appreciate this question, and that is a very good question. If there are accusations about bribery, we will forward that letter and have the police investigate.

Mr. Hancock: If I could supplement that answer, Mr. Speaker. I'm going to assume that a similar question was asked of myself, and the proper process, of course, would be the same: to refer it to the police for investigation.

Mr. Bonner: To the Solicitor General, Mr. Speaker: given that the WCB is an arm's-length organization from the government, why did the Solicitor General's department choose not to send a letter to the police but, instead, sent the letter of investigation to the WCB to have them explain it away?

Mrs. Forsyth: Well, Mr. Speaker, you know, I appreciate what the hon. member is saying. I really don't know what he's talking about. If he'd be kind enough to send me the information, I'll certainly look into it.

The Speaker: The hon. Member for Edmonton-Strathcona, followed by the hon. Member for Spruce Grove-Sturgeon-St. Albert.

Health Care Labour Legislation

(continued)

Dr. Pannu: Thank you, Mr. Speaker. For over a year the Labour Relations Board has been spearheading a comprehensive review of health care bargaining units. This has been a multistakeholder process involving government, health care employers, and health care unions. The LRB is examining both the number of bargaining units and their geographic scope and looking at the impact of changes in regional health authority boundaries. I'll be tabling the latest update from the LRB later on. The first two questions are to the Minister of Human Resources and Employment. Why is the minister casting aside more than a year's work by the Labour Relations Board in favour of ham-fisted unilateralism to change the rules through legislation, changes cooked up by a secret cabinet committee?

Mr. Dunford: Well, first of all, I want to thank the Labour Relations Board for all their diligent work over the past year. They obviously haven't been just sitting around knitting.

The situation is quite clear, Mr. Speaker. We had a situation just recently where we had a change in the boundaries, a change in the number of regional health authorities, and it is this government's wish and desire to remove any sort of long-term reconfiguration, then, that's going to take place. We're going to do it through

legislation, and we'll do it quickly, and it'll allow all the parties then to be able to adjust very, very quickly instead of having to extend over years and years and years of hearings.

The Speaker: The hon. leader.

Dr. Pannu: Thank you, Mr. Speaker. My first supplementary to the same minister: why should Alberta's registered nurses continue bargaining with the provincial health authorities when the rug under negotiations has literally been pulled away as a result of the cabinet's secret plan to unilaterally change the rules?

Mr. Dunford: Again we have another yarn. He talks about some kind of secret situation. I mean, what does he think we in government do if we meet constantly? We'd like to have a way in which sometimes we could get rid of some of those meetings actually, Mr. Speaker. And if you think that we would do anything ad hoc . . . Are you listening or what? [interjections] He's not listening.
Thank you.

The Speaker: The hon. member.

Dr. Pannu: Thank you, Mr. Speaker. My last question is to the Premier. Why has the government through a secret cabinet committee chosen the path of confrontation that involves a unilateral imposition of an unjust law that will surely provoke civil disobedience, following the Premier's shining example that he has set, while driving health care providers out of the province?

Mr. Klein: Mr. Speaker, this really has not been the path of confrontation. Actually, it has been the path of intelligence. But needless to say, the NDs can't understand that. Any path of intelligence is something that would be strange and unusual to them. They would rather sit around doing their knitting. You know, I don't know how much mental stimulation that provides, but perhaps the NDs would be interested in some numbers. They're very simple, and it would put their claims to shame, to say the least.

He talks about legislation that's driving health care workers out of the province. You know, contrary to what they say, the numbers show a steady increase in the number of health care workers in Alberta. This is fact. This is absolute fact. The number of fully licensed physicians has increased by 626 over the last three years. The number of registered nurses has increased by 1,517 during the last few years. The number of licensed practical nurses has increased by 741 in the last few years. The number of postsecondary seats in health care has increased by 2,116 in the last four years. I know the NDs will never ever have the opportunity of participating in a Premier's conference or a ministerial meeting involving colleagues from across the country, but I can tell you that at Premier's conferences that I've attended, other provinces and other Premiers have frequently expressed concerns that Alberta, because of our progressive policies, because of our good policies, is luring away their health workers because of our nation-leading standards and salaries and working conditions and other conditions that prevail here.

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

2:30

Education Spending

Mr. Horner: Thank you, Mr. Speaker. The Greater St. Albert Catholic school board distributed a letter to parents on February 28 – and I will table the letter later today – indicating that the arbitration

award of 14 percent has not been matched by grant increases, which have amounted to 6 percent. Members of my constituency have raised questions about the amount of government funding, and listening to the minister's response to a question earlier today, it is my understanding that the amount of funding was more than the 6 percent salary bonus, if you will. The letter also indicates that the school board is saying that they must take action. To the Minister of Learning: are there any outcomes from the Edmonton public school board's audit that might help the other boards as well, particularly St. Albert?

The Speaker: The hon. minister.

Dr. Oberg: Well, thank you very much, Mr. Speaker. In direct response to the question, it's still too early to see what is happening with the Edmonton public school board audit. I'm anticipating that that will be done by the end of this month, and we hope to have results at that time. I will say that in the first week that we have been in there we have found some very encouraging results. We have found some issues, but we're also working closely with them. I will say, as well, that I sent a letter to the chairman of Edmonton public saying that they could move \$1.9 million into their operating from their administration. So that has moved down already.

Mr. Speaker, the point that I'll make about Greater St. Albert, though, is that they did have the 4 percent and 2 percent, but they also received 3 percent and 3 and a half percent. So today I am sending Mr. Dave Caron, who is the board chairman, a simple letter, and it is quite simply saying, more or less: what did you do with the other 3 percent and 3 and a half percent? We're asking them to determine where those dollars were spent. They say that they only have 4 percent and 2 percent for teachers' salaries, so we want to know where the other dollars went.

The other point that I will make, Mr. Speaker, is that – you know, it's funny that when we actually ask for accountability on where taxpayer dollars are spent, we hear guffaws from the other side – Greater St. Albert, as well, their accumulated operating surplus on August 31, '02, was roughly \$1.547 million. Their projected accumulated operating surplus as of August 31 of '03 is \$492,000 to the plus. To the hon. member: to the plus.

So I find it a little difficult with this letter. We will be asking them to show us where they spent the money. I understand that there is also a decline in enrollment in their region, but we will be straightening this out.

The Speaker: The hon. member.

Mr. Horner: Thank you, Mr. Speaker. I would just like to ask the minister that if he was requested and working with the board, if the minister's department would be prepared to assist Greater St. Albert with an audit similar to the one of Edmonton public.

Dr. Oberg: We certainly would be. Greater St. Albert is not one of our highest priorities because, as you see, they are sitting in a positive situation with around \$492,000 accumulated operating surplus anticipated at the end of this year. Mr. Speaker, if they want help in budgeting, if they want help in divvying out their taxpayers' dollars, we'd be more than happy to do that, and we certainly would at their request. I will be expecting, though, their answer as to where the 3 percent and 3 and a half percent went. If it didn't go to teachers' salaries, then I want to know where the dollars went to. So hopefully we will have that soon.

Thank you.

The Speaker: The hon. member.

Mr. Horner: Thank you, Mr. Speaker. That's all.

head: **Recognitions**

The Speaker: The hon. Member for Edmonton-Castle Downs.

Canadian Interuniversity Sport Volleyball Championship

Mr. Lukaszuk: Thank you, Mr. Speaker. I rise to recognize an outstanding group of young athletes who represented the U of A with grace and glory at the recent 2003 Canadian Interuniversity Sport's volleyball championships. The men's national championship was hosted by the University of Alberta. About 2,000 volleyball fans filled the stands to cheer on their Golden Bears defending their national title in the gold medal match. Congratulations to the Bears on winning the silver medal in this match.

The U of A Pandas traveled to Quebec City to compete in the women's national volleyball championship and earned a bronze medal by defeating their southern rivals, the University of Calgary. This is the Pandas' first CIS championship medal since their remarkable run of six straight national titles from 1995 to 2000. Congratulations.

On behalf of all of the members of this Assembly I congratulate all these young athletes and their coaches, Laurie Eisler and Richard Schick, on their outstanding achievements and on making Edmonton again the city of champions.

The Speaker: The hon. Member for Wainwright.

Queen Elizabeth II Golden Jubilee Citizenship Awards

Mr. Griffiths: Thank you, Mr. Speaker. I'm pleased today to recognize the five recipients of the first annual Queen Elizabeth II golden jubilee citizenship medals, which, I might add, are sponsored by Alberta Community Development and Alberta Learning. These medals honour the accession of Queen Elizabeth II to the throne and her service to the Commonwealth over the past 50 years. Every year one student from each high school is first nominated to receive the Premier's citizenship award. From this group of worthy candidates the five most outstanding will receive the medal and a \$5,000 cash award for their education or personal development needs. They will also receive a congratulatory letter from Her Honour, the Hon. Lois Hole, Lieutenant Governor of Alberta.

Mr. Speaker, the inaugural recipients of this new scholarship and medal program are James Boldt of Pincher Creek, Trevor Brown of Lethbridge, Sophia Di Castri of St. Albert, Michelle Durocher of Fishing Lake, and – I'm very proud to say – Kelsey MacMillan, one of my constituents, from Irma. Please join me in congratulating these exceptional young Albertans on their outstanding achievements.

The Speaker: The hon. Member for Banff-Cochrane.

Kananaskis Country

Mrs. Tarchuk: Well, thank you, Mr. Speaker. Today I'd like to recognize the 25th anniversary of Kananaskis Country. Encompassing more than 4,000 square kilometres of diverse landscapes, from glacier-capped mountains to rolling foothills, Kananaskis Country is the jewel of our province. This multiple-use area provides a variety of year-round recreational opportunities for Albertans and visitors to our province.

With more than 2 million visitors a year Kananaskis is also a major contributor to the prosperity of our province. We have discovered much about the area wildlife and landscape through research conducted over the past 25 years, and Kananaskis programs have been recognized with top awards from Interpretation Canada for nearly 10 years. Kananaskis Country is well protected, with over 60 percent of its land designated as provincial parks, wildland parks, an ecological reserve, and a wildlife sanctuary.

Please join me in saluting this anniversary milestone and in recognizing the value of Kananaskis Country and its importance in maintaining the quality of life that makes Alberta such a great place to live and visit.

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

University of Alberta Sports Teams

Dr. Taft: Thank you, Mr. Speaker. The University of Alberta, which I am proud to say is in my constituency of Edmonton-Riverview, is a dominating force in Canadian university sports. Whether it is in volleyball, basketball, track and field, hockey, wrestling, football, soccer, or any number of other sports, the Golden Bears men's teams and the Pandas women's teams do themselves, their university, and their province proud with their performances. The athletes, coaches, and staff of these teams put in long and grueling hours, and they do it for the best of reasons: the challenge of improving personal performances, the thrill of competing, the fun of playing, the pleasure of fitness, and the fulfillment of teamwork. And let's not forget the joy of victory, which the Pandas and Golden Bears are able to celebrate more often than any university in Canada and, frankly, more often than most people can count.

Gold, silver, and bronze championships are won by the U of A every few weeks. Just this past weekend silver and bronze medals were won in men's and women's volleyball and in track, and there are great chances that later this month there will be more national victories in hockey and basketball. So to the University of Alberta and its sports teams: congratulations. We're proud of you.

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

Jean Paré

Mr. Snelgrove: Thank you, Mr. Speaker. It's my pleasure today to rise and recognize a truly outstanding Albertan. You may have heard of Mrs. Jean Paré, the author of *Company's Coming* cookbooks, which, incidentally, recently passed the 20 million mark in copies sold. Along with her son Grant and her daughter Gail, Jean remains very active in all aspects of the business. The company is a great example of Alberta's success on an international scale.

2:40

However, there is another side to Mrs. Paré that you may not be familiar with. Jean's concern and care for others, her unassuming personality with no desire for recognition are what make her an exceptional humanitarian. She is a committed foster parent, a dedicated member of the IODE, is active in her church, and sings with the ladies' auxiliary choir. The local food banks and women's shelters are constant beneficiaries of her unselfish generosity. In spite of her many commitments she is a dedicated friend and a wonderful neighbour.

Through all of this Jean has been supported by her husband, Larry. Together they are indeed a couple that all Albertans can be proud of. It was my honour to present Mrs. Paré with the Queen's golden jubilee medal in Vermilion recently. Her business success along

with her commitment to community values make her a worthy recipient and an Albertan we can all be proud of.

Pharmacist Awareness Week

Mrs. Gordon: Mr. Speaker, for generations the local pharmacist has been a trusted source of practical advice. After a minimum of five years of university, four of them in pharmacy and pharmaceutical sciences, no one is more able to take on the responsibility of providing advice in dispensing drugs that do so much good, but if taken incorrectly or wrongly, the combination can cost a life.

While pharmacists are experts in medication, they do so much more. We rely on their counsel to manage our diseases and conditions, even how to prevent disease. Many pharmacies sponsor cholesterol and blood glucose monitoring services and counseling on how to best quit smoking. Some pharmacies offer advanced education on diseases and conditions like asthma, diabetes, osteoporosis, or MS.

Pharmacist Awareness Week runs this week, from March 3 to 9. This is our opportunity to thank Alberta's 3,000 pharmacists, the majority of whom work in 800 community pharmacies across this province plus the many in alternative related jobs in hospitals, universities, labs, et cetera.

Thank you to my favourite pharmacist, Bob Bailey.

The Speaker: The hon. Member for Edmonton-Strathcona.

Dr. Arthur Mano Bollo-Kamara

Dr. Pannu: Thank you, Mr. Speaker. I rise to recognize and honour an extremely gifted and extraordinary Albertan. Dr. Arthur Mano Bollo-Kamara was born in 1950 in West Africa and passed away in Sherwood Park on October 27, 2002.

Dr. Bollo-Kamara dedicated his life to scholarly pursuits as well as to the pursuit of the arts by way of his musical talents. He served with such professional organizations as the Association of the Chemical Profession of Alberta, the Western Environmental Agricultural Laboratory Association, and the Standards Council of Canada.

As founder and performer of the Wajjo drummers and member of the successful Alberta group called Juba, his music gave us food for our souls. He also shared his love of music by serving on the board of the Edmonton folk festival.

Mr. Speaker, a research scientist with the spirit and soul of a poet. I am honoured to pay tribute to this great Albertan, and we miss him among us today.

Thank you.

The Speaker: Hon. members, just a couple of additional recognitions. On this day 62 years ago the hon. Member for Wetaskiwin-Camrose entered the world, and on this day 11 years ago the electorate of Little Bow delivered to this Assembly the current member.

head: Presenting Petitions

The Speaker: The hon. Member for Highwood.

Mr. Tannas: Thank you, Mr. Speaker. I wish to present a petition with 40 signatures from Highwood and area residents asking for the Legislative Assembly to urge the government to "reinstate natural-gas rebates immediately."

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

Mr. MacDonald: Thank you very much, Mr. Speaker. I would like to present to the Assembly a petition organized by Ms Joanne Black of Calgary, and it reads:

We, the undersigned residents of Alberta, petition the Legislative Assembly to urge the Government to implement the income recommendations of the 2001 MLA Committee Low Income Programs . . . (low-income Albertans with disabilities or other barriers that prevent them from working will receive adequate and assured income support).

This is signed by over 40 Calgarians.

Thank you.

head: Tabling Returns and Reports

The Speaker: The hon. Minister of Learning.

Dr. Oberg: Thank you very much, Mr. Speaker. I have five copies of a letter to Mr. Dave Caron to be tabled that I alluded to in response to a question I was asked today in question period.

Thank you.

The Speaker: The hon. Member for Highwood.

Mr. Tannas: Thank you, Mr. Speaker. I wish to table five copies of a petition with 507 signatures from residents of the town of Nanton requesting that the government give priority to "enforcing a regulated cost for utilities that would be affordable to all residents of Alberta."

The Speaker: The hon. Member for Calgary-Buffer.

Mr. Cenaiko: Thank you, Mr. Speaker. On behalf of the Community Action Project I'd like to table 755 letters and signatures from residents living in Edmonton's inner-city communities supporting Bill 206, the Traffic Safety (Seizure of Vehicles in Prostitution Related Offences) Amendment Act, 2003. Because of the volume I have provided the Clerk's office with the required number of copies. These people agree that Bill 206 will help improve their communities, making them healthier and safer, deterring sex trade offenders from entering their neighbourhoods.

Thank you very much.

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

Mr. MacDonald: Thank you very much, Mr. Speaker. I have two tablings this afternoon. The first tabling is signatures. There are 605 signatures on this petition urging the residents of Alberta to petition the Legislative Assembly to "urge the Government to re-instate natural-gas rebates immediately." This petition comes from citizens of Redwater, Gibbons, Radway, Edmonton, Egremont, Bon Accord, all over that part of Alberta.

My second petition is five copies of a graph that I worked on with some other able-bodied people, and it's entitled Deregulation, Unplugged. It is a graph that demonstrates how electricity can be an inexpensive essential service under the Liberal caucus's low-cost plan, and anyone can access this graph, that is not available in the Assembly this afternoon, at altaliberals.ab.ca.

Thank you.

The Speaker: The hon. Member for Edmonton-Centre.

Ms Blakeman: Thank you very much, Mr. Speaker. I'd like to table five copies of a letter from a constituent, Sharon Babish. Mrs. Babish is a widow and is trying to make the point to the government

that it's very difficult for low-income seniors to be able to stay in their homes and pay increased prices on power and gas. She notes the increase on user fees for things like licence plates, increased property taxes, telephone, cable, et cetera. She's asking for help for all the seniors in Alberta.

Thank you.

The Speaker: The hon. Member for Edmonton-Glenarry.

Mr. Bonner: Thank you very much, Mr. Speaker. I have three tablings this afternoon, and with your permission I would like to table the appropriate number of copies. The first is a letter from an injured worker in the province to an MLA.

The second is the required number of copies of the WCB benefit payments listing showing that this injured worker got compensation for \$114,000, medical aid for \$40,000, and a pension of \$155,199.06, for a total of \$309,847.70, but in this particular case this injured worker has not received one penny of this pension.

Finally, I would like to table the appropriate number of copies of a letter from the public security division of the Solicitor General to the fraud investigations at the Workers' Compensation Board. This clearly indicates that the allegations put forward by that injured worker were not forwarded to the police but to the WCB, who was supposed to be the investigator for this complaint, and the last line reads, "Can you please review and advise me what information should be provided from the Solicitor General to [the injured worker]." So this clearly indicates that the information received . . .

The Speaker: Hon. member.

The hon. Member for Edmonton-Strathcona. A tabling?

Dr. Pannu: Thank you, Mr. Speaker. I've got two tablings today. First, I table five copies of the House of Commons report regarding the question of privilege raised by Vic Toews, MP.

The second tabling, Mr. Speaker, is appropriate copies of a letter from Mark Asbell, chair of Alberta Labour Relations Board, dated January 21, 2003, which gives an update on the Labour Relations Board review of standard bargaining units in health care.

Thank you, Mr. Speaker.

2:50

The Speaker: The hon. Member for Edmonton-Highlands.

Mr. Mason: Thanks very much, Mr. Speaker. I have one tabling today. It's a letter from a woman in Calgary in response to the Energy minister's solution to cope with the rising utility costs. She writes that since December 2002 she has set the thermostat at 15 degrees, worn tights under jeans, wool socks and heavy slippers, two sweaters and a jacket, one bulb burning at a time, sponge baths, using a sink for laundry, and restricting eating. It has not worked.

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

Mr. Horner: Thank you, Mr. Speaker. I have a copy of a letter, which I alluded to today, from the Greater St. Albert Catholic schools which was distributed to all parents in their area.

The Speaker: Hon. members, yesterday afternoon in the Assembly when we were dealing with a matter before the Assembly, I indicated that I would receive submissions from any hon. member that wanted to make them to me as of 10 o'clock this morning, and I'll file the documents that I had received by 10 o'clock this morning for

complete transparency in this matter. I'll refer to them later, in a moment or two.

Additional tablings?

Privilege

Contempt of the Assembly

The Speaker: Well, we do have a matter arising out of the business of the Assembly yesterday. After offering all hon. members an opportunity to make a submission yesterday afternoon and then further indicating that I would receive any pertinent information that members thought would be pertinent in any way to this matter of privilege by 10 o'clock this morning, I'm now prepared to rule on the purported question of privilege that was raised by the leader of the third party yesterday.

I would like to note that in addition to the submissions that were put forward on this matter yesterday in the House, both the leader of the third party and the Government House Leader have taken advantage of my invitation and submitted supplementary material to my office prior to 10 this morning. In addition, the Department of Energy submitted some information to my office about what transpired at the briefing, all of which I have tabled now for the benefit of members.

As a preliminary matter the chair notes that the leader of the third party provided written notice of his question of privilege to my office yesterday at 10:25 a.m., thereby fulfilling the two-hour notice requirement under Standing Order 15(2). There was no dispute by the Government House Leader yesterday about this question being raised at the earliest possible opportunity.

The leader of the third party has submitted that there has been a contempt of this Assembly. The chair would like to remind members that breaches of privilege and contempts of the Assembly are treated in the same manner, and therefore the process outlined in Standing Order 15 applies.

The chair quotes from page 108 of the 22nd edition of *Erskine May*:

Generally speaking, any act or omission which obstructs or impedes either House of Parliament in the performance of its functions, or which obstructs or impedes any Member or officer of such House in the discharge of his duty, or which has a tendency, directly or indirectly, to produce such results may be treated as a contempt even though there is no precedent of the offence.

The chair has carefully reviewed the discussion in yesterday's *Hansard* and the material provided this morning. The material facts in this matter are as follows. There was a media briefing on Bill 19, Gas Utilities Statutes Amendment Act, 2003, that took place in this building on Monday, March 3, at 11 a.m. The media advisory for this briefing confirms that only media were invited and that department officials were available to provide information and answer questions regarding Bill 19. The material provided to my office this morning from the government indicates that there were no documents distributed to the media at the briefing, but information about the contents of the bill was provided. Bill 19 appeared on notice for the first time on the Order Paper for Thursday, February 27. This bill was introduced and received first reading yesterday, March 4. The chair notes that the sponsor of this bill is the Member for Innisfail-Sylvan Lake. However, this bill is clearly a government bill, and it was moved to Government Bills and Orders on the Order Paper by resolution of this Assembly yesterday during the Routine. Moreover, the February 26 direction to the Clerk's office to place this bill on notice on the Order Paper came from an official at Executive Council, not a private member. The leader of the third party advised this House yesterday that on Monday at noon the media questioned him on information relating to Bill 19. To

summarize his argument, the leader of the third party asserts that his rights as a member of this Assembly were interfered with in a serious way as he was not privy to the same information as the members of the media who had attended the briefing.

Hon. members, it is the Speaker's role to find whether a case brought by a member constitutes a prima facie question of privilege. This is a threshold role. The Speaker does not determine whether there is actually a breach of privilege or contempt as that is up to the Assembly. As Joseph Maingot states at page 221 in his work *Parliamentary Privilege in Canada*, second edition:

While the Speaker may find that a prima facie case of privilege exists and give the matter precedence in debate, it is the House alone that decides whether a breach of privilege or a contempt has occurred, for only the House has the power to commit or punish for contempt.

In his presentation yesterday the leader of the third party referred extensively to the March 19, 2001, ruling by Speaker Milliken of the Canadian House of Commons at pages 1840 and 1841 of *Commons Debates* for that day, that there had been a prima facie contempt of the House when the federal Minister of Justice provided a technical briefing to the media about a bill that was on notice and introduced following the meeting. That case is very, very similar to the case presented by the hon. third party leader yesterday. The only difference seems to be that in the House of Commons case, the briefing was the same day as the bill was introduced, and in the Bill 19 situation the briefing was the day before introduction and the bill here was introduced by a private member rather than a minister.

In essence, Speaker Milliken found that once a bill is on notice, media briefings are not allowed. To quote briefly from his ruling:

The convention of the confidentiality of bills on notice is necessary, not only so that members themselves may be well informed, but also because of the pre-eminent role which the House plays and must play in the legislative affairs of the nation.

Following his ruling a motion was passed referring the matter to the House Standing Committee on Procedure and House Affairs, which found that there had been a contempt of the House. The matter was effectively resolved in the committee when the minister apologized and indicated that she had instructed the department not to provide advance copies of bills, other materials, or technical briefings until after a bill is introduced.

As the chair indicated yesterday and as the Government House Leader pointed out in his written submission this morning, there is a March 7, 2000, ruling by this Speaker where a similar issue was raised about a media briefing on what was then Bill 11 prior to the introduction of the bill. Based on the precedents that existed at that time, the chair found that there was not a prima facie question of privilege.

Of course, since that time there is the ruling by Speaker Milliken of the Canadian House of Commons. The chair wants to make it very, very clear that the Legislative Assembly of the province of Alberta is not bound by decisions from the Canadian House of Commons or any other Assembly in Canada. This would be contrary to the nature of Canada's federal system. However, how could this chair hold that the Canadian House of Commons and its members are to be accorded greater respect and dignity than the members of this Assembly? The role of the chair cannot be to lessen the dignity and the respect of this Assembly or its members. The chair agrees entirely with Speaker Milliken when he states:

To deny to members information concerning business that is about to come before the House, while at the same time providing such information to media that will likely be questioning members about that business, is a situation that the Chair cannot condone.

The chair would also like to cite from the final paragraph of the House of Commons standing committee report where it states:

The rights of the House and its Members in this role are central to our constitutional and democratic government. This case should serve as a warning that our House will insist on the full recognition of its constitutional function and historic privileges across the full spectrum of government.

Accordingly, the department briefing provided to the media concerning Bill 19 when the bill was on notice but before it was introduced constitutes a prima facie case of privilege as it offends the dignity and the authority of this Assembly. As the chair has noted on many previous occasions, the principle of ministerial responsibility holds that ministers are responsible for the actions of their officials and, in turn, are responsible to the Assembly for those acts. Strictly speaking, this constitutes a prima facie contempt of the Assembly, although it is treated in the same way as a breach of privilege.

3:00

The chair would also like to briefly comment on the next steps in this process and make some comments about what this ruling does not say. First, the chair is not ruling that consultations on proposed legislation are out of order. This is not in any way the intention of the chair's ruling nor the House of Commons' ruling nor of the committee that reported to the House of Commons. The Standing Committee on Procedure and House Affairs stated at page 4 of its report that there are often extensive consultations at the policy development and legislative drafting stages of bills which are exclusively within the purview of the government. The committee found that the House's interest arises when the notice of intention to introduce the bill is given to the appropriate House officer. Furthermore, the committee found that the conventions concerning lockups for the budget or the Auditor General's report were not affected.

Yesterday the Government House Leader referred to a practice of the sharing of bills with opposition members before introduction. The committee addressed that issue too by saying that the adoption of a policy on briefings should not prevent the provision of courtesy copies of government bills on a confidential basis to opposition critics shortly before their introduction. Of course, these are matters that can be considered by a committee of the Legislative Assembly of Alberta if the appropriate motion is moved and passed by the Assembly. I would expect that the leader of the third party would put on notice a motion to refer this matter to the Standing Committee on Privileges and Elections, Standing Orders and Printing.

Regardless of the disposition of that motion, the chair wants to strongly encourage members to find a mechanism to address the broader issue of how consultation in this technological age can be accomplished without violating the ancient privileges and rights of the Assembly. Hon. members should be aware that as parliamentarians we have a duty to keep our practices and procedures in step with the developments in society. Committee consideration would provide members with an opportunity to consider these issues. Some years ago there was a Select Special Committee on Parliamentary Reform to consider certain issues of procedure such as the sub judice rule. Perhaps that committee could be reconstituted or the matter referred to the Standing Committee on Privileges and Elections, Standing Orders and Printing. The chair wishes to stress that this is a matter of concern to all members, not just one caucus.

I would now refer the leader of the third party to Standing Order 15(6), which provides for the next step in this process; namely, that a member "may give notice not later than at the conclusion of [tomorrow's sitting] of a motion to deal with the matter further."

The hon. Member for Edmonton-Highlands.

Mr. Mason: Thank you very much, Mr. Speaker. On behalf of the hon. Member for Edmonton-Strathcona I give notice that tomorrow

under section 15(6) of our Standing Orders I will move that the matter of the question of privilege raised on March 4, 2003, by the Member for Edmonton-Strathcona regarding the Energy ministry media briefing on Bill 19, Gas Utilities Statutes Amendment Act, 2003, prior to it being introduced in the Legislature be referred to the Standing Committee on Privileges and Elections, Standing Orders and Printing to review the procedure to be followed in such cases in light of the Speaker's ruling of March 7, 2000, and the ruling of Speaker Milliken of the House of Commons of March 19, 2001, and the subsequent report of the House of Commons Standing Committee on Procedure and House Affairs.

Now, Mr. Speaker, I'm prepared to take direction. If you would prefer to deal with this motion today, we're prepared to do so. Otherwise, I'm providing notice for tomorrow.

The Speaker: Well, with the notice of motion, that's entirely up to the wish of the members. I can be guided here with respect to if the members want to let this stay over for a day – notice was given – or to deal with it today. That's entirely the wish of the members.

Hon. Government House Leader, I don't know if you're in a position to say anything.

Mr. Hancock: Well, with respect to the motion itself, Mr. Speaker, I would prefer that we deal with it tomorrow. With respect to any other business arising from this question of privilege, if it was to be dealt with today, that wouldn't be a problem. But I think we ought to consider your ruling before we act upon it.

The Speaker: The hon. Minister of Energy.

Mr. Smith: Well, thank you, Mr. Speaker, and thank you for the opportunity to comment on this issue. In fact, since I have assumed elected office, there is no entity that I've held with greater respect or with greater dignity than the proceedings not only of this House but of the members that are involved in this House and the proceedings that go on inside this Assembly.

Having said that, Mr. Speaker, it is my duty as the Minister of Energy to apologize to the leader of the third party, the hon. Member for Edmonton-Strathcona, and to say that there was absolutely no intent to obstruct or to impede the work of this Assembly or his work. If there has been, it is my deep and profound regret. I will continue to hold this House in the highest respect, the highest esteem for the work that it does for all Albertans.

Mr. Speaker, I think that it's been an important piece. It's been an important piece of learning. It is, as you have commented in your ruling, a way that we try to cope with the fast pace of technology, courtesy, and the ability for all Albertans to know the important dealings that go on in this House.

So let me finish, Mr. Speaker, by offering my profound apology, profound regrets, and to ensure that as long as I am minister in this portfolio, it will not happen again.

The Speaker: Let me say thank you to the Minister of Energy. Thank you.

Hon. leader of the third party, we will await the motion until tomorrow. Did you want to accept this?

Dr. Pannu: Mr. Speaker, I just want to rise and thank the minister for his very clear and strong statement not only extending an apology to me personally but to note that the integrity of the House, its dignity and its respect and its ability to perform the appropriate role in our government system, is as important to him as to every other member. So I want to thank him and await our discussion on the motion that's before the House tomorrow.

Thank you.

The Speaker: Hon. members, this can be a place of great honour, and we've just seen that, so I appreciate that.

The hon. Government House Leader on a point of order.

Mr. Hancock: I think that in light of our discussion on a rather profound matter, the point of order that I intended to raise today could be skipped.

Speaker's Ruling Exhibits

The Speaker: Okay. The chair will make a comment, though, not knowing what the point of order was.

There was a situation today where two hon. members were sitting with knitting needles in their context. The chair did not note that for a number of seconds and could not understand what the response was from the Assembly with respect to this matter. I don't know if that would have been ruled out as a prop or not, because I don't know what it would have signified as a prop. Surely, some members will look at certain pieces of paper and some books and some documents, and I suspect that members need to bring their domestic chores into the Assembly. There's nothing that I can understand that would preclude that.

In the other one the hon. Member for Edmonton-Gold Bar did have a certain piece of paper that had certain colours on it, which was a publication of a certain political party, and that could not be construed as a prop either. Members stand up in this Assembly with documents in their hands. So clarification of that.

Point of Order

Tabling a Cited Document

Mr. Hancock: I'm sorry. I should have probably, then, put it in context. I wasn't going to complain about the hon. Member for Edmonton-Strathcona sticking to his knitting but was going to suggest that the Member for Edmonton-Gold Bar ought to table the document that he referred to extensively regardless of its colour.

The Speaker: And that probably would have been in order as there were other ministers who were encouraged today and other members who were encouraged today, but the member may choose to do that tomorrow or not.

Mr. MacDonald: I certainly will do that tomorrow, Mr. Speaker.

head: **Orders of the Day**

head: **Government Bills and Orders**

head: Third Reading

Bill 17

Appropriation (Supplementary Supply) Act, 2003

The Speaker: The hon. Minister of Finance.

Mrs. Nelson: Thank you very much, Mr. Speaker. I'm very pleased to move third reading of Bill 17, the Appropriation (Supplementary Supply) Act, 2003.

The Speaker: The hon. Member for Edmonton-Mill Woods.

Dr. Massey: Thank you, Mr. Speaker. I appreciate the opportunity to make a few final comments at third reading on Bill 17. I think it has to be noted that this bill asks for \$206.642 million in extra funding to defray some additional expenses that the government has incurred this year. I think we all understand that there are things that

happen during a budget year that could not be anticipated when the budget was drawn up and that would cause the government to have to make some adjustments. Those adjustments, when they come before us, are hard for the opposition if they aren't linked to particular parts of the business plan so that we can understand why the changes are made and where they sit in the government's overall scheme of things. But, as I said, we understand that those occasions arise. We also understand that a number of the items that are included in Bill 17 are things that Albertans need and that the money is needed for them now.

3:10

I think, though, that it wouldn't be fair not to comment on what's asked for in a couple of instances, and one is the Learning requisition, where I think the total is \$35 million that is being asked for. A large piece of that is for the situation that arose out of the strike with the teachers last year. There's money in here that came out of that dispute. I guess the point that I would like to make, Mr. Speaker, is that the government is able to come back to the Assembly when it is faced with an outcome and ask for money to cover an agreement that has been reached during a particular situation. Unfortunately, school boards don't have that same privilege, and I think it's unfortunate. In fact, I was looking forward with some anticipation to there being some sums in the Learning department to help boards meet the obligation imposed upon them by the arbitrator. As I said, I'm disappointed that there isn't a sum in the Learning department's estimates for boards.

[Mr. Shariff in the chair]

I think that the sum that boards have indicated they need, that would help them make up the difference, was \$142 million province-wide as a result of the arbitrated settlement. It's a huge sum of money. I've heard the minister explain how he thinks boards should be making up that arbitrated settlement. He indicates that, yes, there were the 4 percent and the 2 percent in the budget for wages, but then he also goes on to indicate that the 3.5 percent for classrooms should also have allowed boards to make up the arbitrated settlement. Well, 4 and 2 and 3.5 don't make up 14, Mr. Speaker. It also ignores the fact that that 3.5 percent was dedicated in the budget for classrooms. That 3.5 percent was dedicated to cover all of the expenses: inflation, increased enrollment, all the kinds of things that happen to school boards.

So I think it's really distressing to hear the minister try to pass off and take no responsibility for the position that the school boards find themselves in as a result of an arbitrated settlement that this government put into place. It would have relieved so many school boards, it would have relieved the pressure on so many schools across this province if the sums that are needed could have been included.

There was a forum last evening. I've heard from parents across the province distressed at what's happening, the proposals for September 2003 that boards are having to come up with as a result of the underfunding and the box that they find themselves in as a result of those arbitrated settlements.

So I look at the sums here, particularly in Learning, and I won't be supporting Bill 17 for a number of reasons but in large part for what isn't there and what should be there in terms of the Learning budget.

I think we also have to note that every time we have something requisitioned, such as those that are before us now, it really is a fault in the budgeting process. Hopefully, the stability fund, the funds that are being created, will help in the future. I'm not quite sure how they might be applied, but I think there's the possibility for the

government not having to budget in this way and at the same time to respond to emergencies and rapidly changing conditions.

I guess if there's another area that I'd just like to touch on briefly, it's the fact that we don't see in the budget any relief for Albertans with respect to utilities, and that's, as I said, very unfortunate. We had an 80-year-old senior get herself to our constituency office in order to tell us how badly she is suffering as a result of the high utility costs and to plead with us to try to do something for her. This would have been an opportunity, a place in the budgeting process, in the supplementary appropriations that are before us, for those individuals and, in fact, all Albertans to be looked after, and again I think it's with regret that that has not happened.

I think with those comments, Mr. Speaker, I'll conclude. Thank you.

[Motion carried; Bill 17 read a third time]

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

Bill 3 **Electric Utilities Act**

Dr. Pannu moved that the motion for second reading be amended to read that Bill 3, the Electric Utilities Act, be not now read a second time because the Legislative Assembly believes that it will cause inefficiency and confusion in the electricity production and delivery system and increase costs for Alberta consumers.

[Debate adjourned March 4: Mr. Mason speaking]

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

Mr. Mason: Thank you very much, Mr. Speaker. Could you indicate to me, please, how much time I have left?

The Acting Speaker: Seven minutes left.

Mr. Mason: Seven minutes. Okay. Thanks very much, Mr. Speaker.

Just to conclude my remarks from the other evening, I do believe that the hon. Member for Edmonton-Strathcona's amendment is a wise one, and I think it merits consideration by all members of this Assembly. We have seen the great experiment with deregulation in Alberta in action for some three years now, and we've seen a number of assertions by the government and different ministers at different times as this experiment has unfolded. We saw at the beginning of my comments that the Premier had said that competition in the marketplace would result in lower costs for consumers of electricity than existed previously; that is to say, under the regulated system that had served Alberta for many years before. We've seen that the contrary has come to pass. We now have power prices in this province between 40 and 100 percent higher for consumers than before deregulation was implemented. We have seen that that pattern exists in other jurisdictions where this experiment in some form or another has been undertaken. So we can see clearly the logic of the hon. member's motion, that it will increase costs for Alberta consumers.

3:20

Going back to the auctions, the PPAs, the government indicated before those auctions that they would expect that several billion dollars would be returned in order to pay for the production of electricity by the depreciated generation assets of the system, but we saw that the auction and the auction after that fell billions of dollars

short of what the government had set as a benchmark for the success of this auction. So we already knew at that time, Mr. Speaker, that the process was not unfolding as the government had predicted and that the entire experiment was in serious trouble.

Unfortunately, the government decided to forge ahead with electricity deregulation even in the face of these facts, and as electricity prices began to mount, especially just before the election, the government was forced to act and froze electricity prices. It capped them. In other words, it stepped into the marketplace and regulated them after companies, for example, Enmax and EPCOR, had purchased electricity on the spot market at very, very high prices to serve new customers outside the cities. This, of course, put these utilities into a financial crisis because they were forced to sell electricity at prices well below the prices they paid for that power in the first place.

So the government promised them that if the prices were frozen at that point – and this point was just before the last provincial election, Mr. Speaker. This is a familiar theme, I know, but it's a very true one. The government froze them but promised these companies that they could recoup their lost revenues by adding rate riders to the subsequent year's power bills after the election was out of the way. So the rate riders, that have given so much grief to so many people and which so many people in this province don't understand, are simply paying back the power companies for having to sell power at below cost before the election.

This was a political move; it couldn't be anything else, Mr. Speaker. It was a deliberate effort on the part of government to force power companies to provide cheap power before the election, yet the ratepayers have to pay back the power companies once the election is safely out of the way. So you see how this system of deregulation has developed.

Now the government is going even further. They're committing themselves even more deeply. They're diving headfirst into the quicksand, Mr. Speaker, not letting it suck them down reluctantly at all but are actually diving headfirst into this, and this act will result in permanent high prices. I'll tell you why. Any company that comes into this market and doesn't get a regulated rate of return takes a higher risk in Alberta's market, and in order to get a higher risk, they will expect a higher rate of return. Before they will invest, they will expect higher power prices in order to support that investment and that higher rate of return.

There's a structural flaw in deregulation, and that is that by forcing people to risk half-billion dollar generating assets and transmission assets, it guarantees that the rate of return has to be higher, and therefore the price of electricity has to be higher. This is something that I think most people who invest – and many people do today – will understand. If you want to invest in bonds, you get a lower rate of return. If you invest in equities and you take your chances, you expect a higher rate of return because there's high risk. The same thing applies here.

So this is, I think, the last chance for the Assembly to stop this reckless direction, to ask the minister and to ask the government to consider whether or not it really, really does want to go down this path, because once committed to this path, Mr. Speaker, the consequences for Albertans will be grave. So I urge members to support this motion.

Thank you.

The Acting Speaker: On the amendment, the hon. Member for Edmonton-Centre.

Ms Blakeman: Thank you, Mr. Speaker. Yes, I am rising to speak to what we commonly call a hoist amendment, which is requesting that

Bill 3, Electric Utilities Act, be not now read a second time because the Legislative Assembly believes that it will cause inefficiency and confusion in the electricity production and delivery system and increase costs for Alberta consumers.

I'm facing a dilemma as I rise to speak to this motion. In bringing forward a hoist motion at this point, it in effect has ceased debate in second reading of this bill, which is a frustration for those of us who wish to speak in second. We have now lost that opportunity through the choices made by the mover of the hoist.

On the other hand, I am extremely frustrated by the situation around electricity and the result of what's left after the government's mucking about and deregulating and re-regulating and deregulating the electricity market. I don't really want to see a delay of any kind. We need some improvement in the situation and some stability now. There's often a time limit set in a hoist where it says: not now be read a second time but be read in six months or so. That's not in this motion, so it's just saying that it never be read again. I think there's definitely a need for change in this system. Is this bill, Bill 3, the change that is needed? Not from what I've seen of it.

So you can see my dilemma, Mr. Speaker. I'm somewhat frustrated at the hoist being brought in now, which precluded my colleagues being able to speak in second on this particular bill, but on the other hand I think the bill is not very good. I'm trying to choose kind words here this afternoon. I think it's a terrible bill, and it doesn't address any of the problems that we've seen with the deregulation of the electrical market. We need stability in that market now, and we need the change that's going to bring that stability now.

What does that mean for the constituents of Edmonton-Centre? What it's not doing is it's not improving the situation of the many people who live in condominiums in Edmonton-Centre and are trying to work with their condominium boards, the number of calls I get from treasurers of associations like that that are trying to figure out how they set the budget for the condominium association for the upcoming year when the prices seem to go nowhere but up. But how far up? How much do they have to increase their condo fees to cover the costs of this? Then, of course, I have the people who actually own the condos who are calling me and saying: "What am I supposed to do? I bought into this condo at \$56,000. My condo fees when I moved in were, you know, a reasonable \$200 a month. Now they're talking a thousand dollars a month. They're going to have to go to \$1,200 a month, and besides all of that I'm supposed to come up with the money for the sinking fund, that we're all required to have now. I can't afford to stay in my own condominium. What am I supposed to do?" You know, I can't give them an answer for that. I've consulted with the banks to find out what advice they could offer someone, and I'm certainly willing to and do indeed pass that information on to people, but it is a real concern. I'm disappointed that members from the government side would feel that this would be a laughing matter or that somehow they wouldn't be believing that this is in fact happening to people. Perhaps if they got out from underneath the dome a bit more often and actually answered the phones in their offices and listened to what people were saying, they would understand that this is what's being faced by people.

3:30

An Hon. Member: Thousand dollar condo fees?

Ms Blakeman: Thousand dollar condo fees? Oh yeah, easily. Oh, yeah. What do you think? I'm making this stuff up? Of course these people tell me this.

An Hon. Member: You're absolutely making it up.

Ms Blakeman: No. No, I'm not.

An Hon. Member: You're reading it off your web site.

Ms Blakeman: Oh, that's baloney. Honest to goodness. Get out from underneath the dome, you guys. Listen to your constituents. [interjection] A thousand is what I said. Get out from under the dome. Talk to people.

The Acting Speaker: Hon. members, the hon. Member for Edmonton-Centre has the floor.

Ms Blakeman: Thanks, Mr. Speaker. One of the original issues that came up around this is around the rebates that were offered for the electrical deregulation, just before the last election actually. What happened was that there was an offer of a \$40 rebate directly on the bills of individual homeowners, but what that turned out to be was that it would go directly onto the bill of detached single-family dwellings or directly onto the bill of anyone that had a direct meter to their apartment. Some of the quite elderly in those three-floor walk-ups had their own meters, so they were getting the rebate directly onto their bills. Some of the very high-end condominiums also had their own meters, so they were getting the rebate directly on their bills.

But for any of those that were living especially in the high-rise apartment buildings or condominiums, there was one meter for the building. There was one bill that was received, either administered by a management company or by a condominium board or by the owners of an apartment building, for example. There was huge confusion because what happened there was that those buildings were deemed to be commercial and were offered the commercial rebate rate, and I'm trying to remember what that was now. I think it might have been 6 cents a kilowatt-hour, but I'm happy to be corrected on that. I don't remember. But it turned out to be far different and less money than the \$40 that was being credited to people's single-family home bills each month. This is what I was told by people. When they calculated it, they found that it was less than that \$40.

So here it was. The government was saying, "We're taking care of people in their homes," but it really depended on what kind of a home you had. If you had a single-family detached dwelling, yeah, you got the \$40 directly on your bill. If you had a high-end condominium or one that was in a very small building, you probably got it as well. Everybody else was faced with this situation where they got less of a rebate, and it went directly to the management company, the condominium association, or the owners who were the ones that were receiving the one and only bill for the one and only meter in the building, and it was less of a rebate.

This caused huge confusion with people who kept calling, saying, "My rent is going up, and I'm not seeing the rebate. When do we get the rebate?" and trying to explain that they'd had it. It had gone to whoever gets the bill for the electricity in their building, and one presumes they had, as a result, not had their rent go up as much or had their condominium fee go up as much as it might have had that rebate not been applied against it. So huge confusion about that, people out there who still think that they're owed this rebate, and of course they've had it, although it never passed through their hands. The way that whole system was handled I said at the time was unfair. I still maintain that it was unfair because it did treat people differently, depending on what kind of lodging they had, whether they were in a high-rise apartment building or condo or a low-rise one or a single-family dwelling.

This is the kind of confusion that we get out of this government's program, and I'm not seeing those kinds of issues being addressed when I look at Bill 3. So am I willing to be supportive of a hoist motion that would take the entire bill away and trash it and, one presumes, say, "Start over again; we need a different one"? Yes. I'd prefer that we started over because I don't think Bill 3 is really going to address the problems that we've already seen as a result of electrical deregulation, but on the other hand what kind of delay are we looking at? Maybe it's possible to make something out of Bill 3. Maybe there are amendments that we could be bringing in, perhaps working with government, perhaps not, trying to improve what we've got. If you throw it out, you're looking at another six months for sure before there could be another bill coming, and that's not likely to get to this Legislature in time. So, in fact, we're looking at next spring, and that would mean people having to go through another summer – air-conditioning costs are on your electricity bill – and back around through another winter, and I don't think people can handle the uncertainty of all of that.

You know, when I talked about the budget and some of the other bills that the government's got up in front, I talked about instability and that people are trying to find some stability, and in this case they're trying to find some certainty. Once again this has been sort of a boomerang or ping-pong experience with electrical deregulation. People didn't understand it. It's incredibly complex. It didn't work. We ended up with these rate riders. We've got the rebates. And people still don't understand what the rate riders are.

It was two things that went on. After the election and after the rebates then we had, as the Member for Edmonton-Highlands quite clearly articulated – and I would refer people back to his arguments there of how, when the regulated rate option was brought in by the government or put in place, in fact the energy companies had a right to then recoup the difference between the regulated rate option and what they were actually purchasing the electricity at. Now, that's sitting on their bill as one extra price that they're paying every month, and on my bill I think that's around \$12 or something every month. Then there was – I'm not going to remember the right name – the 2000. That was a rate rider, and the other one is the difference in the regulated rate option. There was a rate rider that was approved by the EUB in 2000 but, in fact, I think, never levied, and the companies were allowed to recoup that cost as well, and that was another \$10 or something that's on my bill every month. So already you have \$22 that will miraculously disappear just before the next election is called, so people can expect their electricity bill to go down.

An Hon. Member: Cynic.

Ms Blakeman: I'm being accused of being a cynic here, and, yes, I'm afraid I am, having been in this Assembly for six years now. Yeah, I'm a cynic about how these things always seem to get manipulated.

I'm undecided about whether to support this hoist or not because it doesn't put in place anything else that's going to help us deal with this or help our constituents deal with this.

Earlier today I tabled a letter from a senior who was saying: "Please understand. Give us a break. I mean, we're not getting significantly more money, yet all the user fees that we have to pay along with everyone else continue to rise." She used as an example car registration, which was now going from \$52 to \$68, and the \$52, in fact, is an increase from a year or two ago. It seems to me that it wasn't that long ago that I was paying 34 bucks a year. Now we're looking at it being up to \$68 a year. For someone on a fixed income that's a pretty significant increase over a relatively short period of time, and we're talking, I think, over three years or so.

So, certainly, for seniors and many people on a fixed income it is a real difficulty to deal with the increases in user fees – and, boy, is this government ever keen on them – plus dealing with the increases in utility costs, both electricity and gas utility costs. We know that there have been a number of increases over the past few years in residential telephone line rentals, and that will continue to go up as well. We're not even dealing there with inflationary increases in things like food and clothing. [Ms Blakeman's speaking time expired] I'll have to thank you for the opportunity.

3:40

The Acting Speaker: The hon. Member for Edmonton-Mill Woods.

Dr. Massey: Thank you, Mr. Speaker. I would like to take the opportunity to speak to the reasoned amendment that's before us. The effect of passing this amendment is that there would be no order for second reading on some future day in the Assembly. So should this amendment pass, it would have the effect of killing the bill and making sure that it would not come back to the House for consideration at some future date.

The wording of the amendment I think is quite clear, that Bill 3, Electric Utilities Act, be not now read a second time because the Legislative Assembly believes that it will cause inefficiency and confusion in the electricity production and delivery system and increase costs for [Albertans].

Mr. Speaker, I think there are a large number of Albertans who believe that deregulation has not worked for electricity customers in Alberta, and I think there's very little reason to believe that the changes that we find in Bill 3 before us are going to make electricity deregulation any better. Electricity deregulation has failed, and I think it's time that the government admits it and returns to a system that will benefit customers.

The bill allows the Minister of Energy to pursue competition for competition's sake. Competition of itself is not going to bring prices back down to the kinds of historic levels that Albertans had grown accustomed to, and the bill really caters to big business in a way that I think has an adverse effect on customers. We expected, Mr. Speaker, a bill that would put customers and consumers in Alberta first, and that's certainly not what this bill is. Alberta is a rich province, and Albertans should benefit from those resources. The goal has to be to provide electricity to Albertans at the lowest possible cost and not to provide an open market for electricity retailers.

Pursing competition at any cost is not in the best interests of Alberta electricity consumers. The way the act is worded, the advantage that we have had as Albertans I think will continue to be eroded. I think the act, like many of the government acts that we've seen before us in the Legislature, leaves too many details to be determined by regulations, and it's impossible to predict what the final market will look like should this bill be passed, and that's the same kind of difficulty we've had with the previous bills with respect to the deregulated electricity industry. For instance, no one knew that we were going to end up auctioning off our assets through the power purchase agreements. That happened through regulation. This bill moves a lot of regulations into the bill but also then opens the door for a whole host of other regulations that we have grown, with good cause, I think, Mr. Speaker, to suspect. The government has failed to deregulate the electricity industry once. I guess the question is raised: why should there be any trust put in the government through this act to make this situation any better?

I think that even the Premier has admitted that this bill will not bring lower prices to consumers. There are no guarantees that more retailers are going to move into the Alberta market once this legislation has passed. Again, the word from the industry is that the

market is actually too small to entice the kind of competition that's needed to actually lower the prices.

I think, Mr. Speaker, those are my major concerns and the reason why I'll support the reasoned amendment that's before us. Thank you.

[The voice vote indicated that the amendment to the motion for second reading of Bill 3 lost]

[Several members rose calling for a division. The division bell was rung at 3:46 p.m.]

[Ten minutes having elapsed, the Assembly divided]

[The Speaker in the chair]

For the motion:

| | | |
|----------|--------|-------|
| Blakeman | Mason | Pannu |
| Bonner | Massey | |

Against the motion:

| | | |
|-----------|-----------|------------|
| Abbott | Haley | Nelson |
| Amery | Hancock | Oberg |
| Calahasen | Hlady | Pham |
| Cao | Hutton | Rathgeber |
| Cardinal | Jablonski | Renner |
| Coutts | Jacobs | Shariff |
| Danyluk | Klapstein | Smith |
| DeLong | Knight | Stelmach |
| Doerksen | Kryczka | Strang |
| Ducharme | Magnus | Tannas |
| Dunford | Mar | Taylor |
| Gordon | Marz | VanderBurg |
| Goudreau | Maskell | Vandermeer |
| Graham | McClellan | Woloshyn |
| Graydon | McFarland | Yankowsky |
| Griffiths | | |

| | | |
|---------|---------|--------------|
| Totals: | For – 5 | Against – 46 |
|---------|---------|--------------|

[Motion on amendment to second reading of Bill 3 lost]

[Motion carried; Bill 3 read a second time]

4:00head: Government Bills and Orders

head: Committee of the Whole

[Mr. Shariff in the chair]

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

**Bill 4
Alberta Personal Income Tax
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 Medicine Hat.

Mr. Renner: Thank you very much, Mr. Chairman. It's my pleasure to have an opportunity to address the members at the committee stage of Bill 4. There were a couple of questions that were asked by the Member for Edmonton-Gold Bar during the debate at second reading, and I intend to address those questions as well as any other questions that other members may bring forward at committee.

Before I do that, Mr. Chairman, I want to relate a very quick story to you and to all members of the House. I hate to admit it, but about 25 years ago I was in university. I was taking an accounting course. It was an income tax accounting course, and the first day of class the instructor said: there are no textbooks for this class, and you can bring the tax act in with you when you write the final exam.

Mr. Amery: And you still remember that?

Mr. Renner: I do remember that, hon. member.

That final exam was the implementation into me of some very strong life lessons. Lesson 1: if you don't work hard, you don't pass. Hon. member, I must point out that I failed that exam miserably. Number 2: if you think that the tax act is simple and you can find solutions in it, you're kidding yourself. Number 3: the tax act is complex, to say the least, and I can understand, when we are dealing with changes to the tax act, why we have to come back from time to time and deal with consequential changes because they were overlooked the first time.

Hon. members, I'm here to tell you that the tax act is extremely complex. It's complex because over many, many years Assemblies such as this have constantly come up with great new ideas on how to change the tax rules, and some very highly motivated and intelligent folks have found numerous ways to use the rules to their benefit, and then Legislatures are forced to come back and close so-called loopholes. So over the years the tax act has become extremely complex, and I would hate to think, 25 years later, what the poor students in that same accounting class are faced with now. The tax act that I had was about that thick and extremely complex, and we've had 25 years of, quote, improvements to the act in the ensuing time.

So with that said, hon. members, I want to explain as best I can in terms that I hope everyone can understand – and I recognize that this is complex – the answers to the questions that Edmonton-Gold Bar presented, and also I will try and deal with as many answers to questions that members may pose later on today.

The Member for Edmonton-Gold Bar asked two questions, one specifically related to the reference in my comments to the corrections that are here to deal with the royalty rebates. I'm going to read the answer, and then if members still don't understand, I'll explain further if necessary.

When we calculate the tax rebate for the Alberta royalty tax credit, it's based upon the tax rate times the amount of royalties that are paid, but then we have something that's called a minimum tax. So that's the point at which I'm going to start reading from prepared text here, because it does get quite complex.

When the alternative minimum tax applies, the royalties are multiplied by a different rate based upon an alternative calculation of both tax and income. The amendment to the royalty rebate is consequential to amendments that were made to the minimum tax in the spring of 2002. Under these previous amendments the minimum tax in Alberta was changed from being a separate tax calculation to being a top-up to the basic amount of tax an individual would normally have to pay. The result is that under the current legislation the tax rate used to calculate the royalty rebate may be based only on this top-up and not on the entire tax the individual pays. This makes the tax rate used to calculate the royalty rebate smaller than intended, resulting in the royalty rebate being smaller and the taxes, consequently, higher than intended. I told you it was complex.

The gist of it is that we changed the rules in this Legislature on how we deal with minimum tax, and we forgot that there needed to be consequential changes on the reference to minimum tax so that we had an equal and level playing field when we calculate royalty tax rebates. So that's how we came to where we are today.

The second question had to deal with political donations. Again this has to do with consequential changes. Let me take a moment to read the response that I have, and then I'll put it into a little plainer language. The act currently provides the full political donations credit to individuals who have business income in Alberta but are not residents of Alberta but prorates this amount to individuals who have business income in Alberta but are residents of another Canadian province. This amendment simply corrects the inequity by allowing other Canadian residents the full amount of the credit just like nonresidents of Canada.

So it's pretty straightforward. If you have business income in Alberta but are not an Alberta resident, you are entitled to a credit. Unless we deal with this amendment and pass this amendment that's proposed, the same thing will not apply to you. If you have business interests in Alberta and make political contributions in Alberta, a nonresident but a resident of Canada, then there was a proration. All we're doing is making it equal so that all nonresidents have exactly the same opportunity to those credits.

So with that, hon. members, I'll take my seat. That answers the two questions that came up in second reading. If any other questions come forward, I'll do my best to answer them at committee.

The Deputy Chair: The hon. Member for Edmonton-Mill Woods.

Dr. Massey: Thank you, Mr. Chairman. Thank you to the member for the responses to questions posed by my colleague from Edmonton-Gold Bar. He doesn't have to convince me that the tax act is difficult. I've tried to wend through some sections of it, and it is a horrendous task in terms of trying to understand what is intended. I guess if ever a document cried out for plain language legislation, that is one. It really is a document that is obscure to most Canadians.

I think the overall reaction to Bill 4 is, as the member has indicated, that this is really a housekeeping bill, and it's a bill that results in a number of changes that have to catch up with changes that were made previously. Given, as I said, the complexity of the act, we can understand how the necessity arises. Most of the changes are editorial in nature, and I think the opposition accepts them as such.

4:10

The notion of clarifying rules in terms of tax liability is welcomed. As the member just indicated, the clarity surrounding gifts is one that was needed, and making sure that Albertans receive the intended royalty rate is an important change, as are the ones that make sure that there is equal treatment of Canadians with respect to where they happen to reside in the country.

I think with those comments, Mr. Chairman, I'll conclude, and I'm ready to pass Bill 4 to third reading. Thank you.

[The clauses of Bill 4 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.

Bill 5

Line Fence Amendment Act, 2003

The Deputy Chair: Are there any comments, questions, or amend-

ments to be offered with respect to this bill? The hon. Member for Dunvegan.

Mr. Goudreau: Thank you very much, Mr. Chairman. I'm pleased for this opportunity at committee to again address Bill 5, the Line Fence Amendment Act, 2003. During second reading of this bill there was really not a single objection to be heard. This gives me great confidence in the fact that this amendment is providing the clarification that is necessary to prevent the act from being used in instances for which it was not intended.

As I had mentioned during second reading, the Line Fence Act was enacted in 1980 to provide rural residents with a cost-sharing and disputes settlement framework to deal specifically with livestock fencing issues. I thank the Member for Edmonton-Centre for speaking to this issue during second reading.

The changes to this bill are very minor, but they do have far-reaching effects. Without this clarification to the act municipalities across the province could potentially be burdened with costs in the hundreds of thousands of dollars, and these costs would be directly attributable to an oversight in the creation of the Line Fence Act that occurred more than 20 years ago. The correction of this oversight will ensure that this piece of legislation will only be cited in rural situations.

With those comments, Mr. Chair, I will conclude. I am confident that all members of this Assembly will support this bill. Thank you.

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

Mr. Bonner: Thank you very much, Mr. Chairman. It is a pleasure to rise and make a few comments on Bill 5, the Line Fence Amendment Act, 2003. I would like to congratulate the member for bringing this piece of legislation forward and to certainly add my support to this piece of legislation, because as trivial as it seems, it will certainly go a long way in clarifying the situation that neighbours find, particularly in urban areas, as to who is going to pay the cost of a fence between their properties. So Bill 5 does, by way of clarification, make very small changes to the existing act, restricting the circumstances under which parties to a shared fence may seek to have the costs of the said fence shared between the parties.

The object of this bill, Mr. Chairman, is that under the original bill both urban and rural property owners had a legal right to demand just compensation from an owner of an adjacent property who derived any benefit from a fence shared by the two property owners. The new bill restricts this right to only when the fence in question is designed to keep livestock out of the adjoining land of another owner. In essence, this restricts the bill to the rural and agricultural use, which alleviates the complexities inherent in the application of the bill in urban settings.

Certainly, we see why this particular bill is required. It has a lot to do with urban sprawl, whereby our development and expansion in communities is moving in and infringing upon the rural areas around our urban centres. So it is a good piece of legislation in that it definitely clarifies the position that residents find, whether they be in an urban setting or whether they be in a rural setting, and it certainly will go a long way to reducing any friction between landowners, whether they be rural or urban.

With those few comments, Mr. Chairman, I'll take my seat and certainly urge all members of the Assembly to pass this piece of legislation. I notice this afternoon that we also have the Member for Lacombe-Stettler present, so I'd like her to note, as well, that I am voting for this piece of legislation and that I think it's an excellent piece. I will be on your side for this, hon. member.

Thank you very much, Mr. Chairman.

[The clauses of Bill 5 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.

Bill 7

Real Estate 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 Grande Prairie-Wapiti.

Mr. Graydon: Thank you, Mr. Chairman. There was very little debate at second reading. No questions were brought forward, and we did have support from the Official Opposition on this at second reading. It is a bill that is supported by the industry, brought forward by them with full consultation, and I anticipate smooth passage through committee.

Thank you.

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

4:20

Ms Blakeman: Thanks very much, Mr. Chairman. I'm pleased to have this opportunity to speak in Committee of the Whole to Bill 7, Real Estate Amendment Act, 2003. I missed my opportunity to speak in second, although I do understand that there is support from my colleagues in the Official Opposition for the bill. It looks to me as though the changes that are being suggested are fairly minor, and it does appear as well, from the notes that I have, that it is supported by people working in the sector.

So what we really have is a bill that is bringing appraisers under the act's licensing and regulating provisions. It's extending the length of time that the Real Estate Council of Alberta can take disciplinary action against former industry members. It's extending it to two years, and that's actually becoming a sort of industry standard now, I think, not only in this sector but in any sector, that if you haven't brought forward your complaint or commenced the action before two years have passed, then it's going to move on. You've lost your opportunity. So everybody seems to be settling on about that two-year mark. The one exception to that, of course, is regained memories of childhood assault or sexual assault or abuse or that kind of thing for adults.

Also, the act is allowing the council to require members to retain records for three years after they leave the industry. That gets more important but also more difficult as we move into a computer age. Although it was supposed to give us a paperless society, all it does is that we now have computer disks or tapes and we have paper. In particular, with the information that's stored on the computer disks or tapes, in some cases, or CDs now, you have to have a copy of the original program that wrote the information in order to be able to read it or to stay with the same program. I am very conscious that with records that I created or documents that I created even five years ago, even within the time span of this job, I'm two or three versions of the creating program further on. When I do open that document, I usually get a prompt saying: "You need to update this document. Do you want the program to do it?" You say yes. You know, who'd heard of Microsoft 15 years ago? That wasn't the primary company. It may well be that in another 10 years from now

we're all working on a different document system and won't even have the programs that will open and be able to read the computerized, digitalized versions of things.

So requiring real estate members to retain records for three years after they leave the industry is a prudent move, but this sort of provision is going to become far more interesting as we move into this electronic age and start changing programs around and finding out that even with a document that's a year old, you may not be able to read it anymore because everybody has moved on to a different system. I think that probably why we end up putting so much paper out is just so that we have some sort of record.

But more to the point is being able to follow through on transactions to see if there's a problem and to be able to ask people who are leaving the industry to hang on to their documentation and their records of the work that they did, because in many cases it does take a while to figure out that there's a problem. Or perhaps there's a good thing that happened, and you want to follow it through and find out what made it good or what made it possible so that others can repeat it. So that's a very prudent and helpful thing to have in the legislation.

I think this has been brought forward to the government, actually, by the Real Estate Council of Alberta and is allowing them to keep pace with developments in the industry. The Real Estate Council of Alberta is an independent agency. It's responsible for regulating the real estate industry in areas of consumer protection and provision of services to improve the industry for its members. The Minister of Government Services does oversee this association. It looks like this Real Estate Act was last amended in 1995, so eight years ago.

The first section, "the Alberta Association of the Appraisal Institute of Canada, the Alberta Assessors Association, the Canadian National Association of Real Estate Appraisers," are all added into the original groups that were listed, which were the Alberta Real Estate Association, the Alberta Mortgage Brokers' Association, the Building Owners and Managers Association of Edmonton, the Building Owners and Managers Association of Calgary. Good heavens. This is a long list. I don't need to read this all out. Essentially, it's adding in the others that are active in this sector. Well, that's interesting; I'm not seeing the auctioneers one. I wonder how the industry is planning on dealing with this new idea of auctioning off houses. There was one of those that took place here in Edmonton, and I think everyone reserved opinion on whether it was successful or not, although it is my memory that the owners were happy enough with the price they got.

A number of the other clauses that are in here are, in fact, strictly administrative, and then there are sections which talk about the ability of different groups; adding in the appraisal institute, the Assessors Association, and the National Association of Real Estate Appraisers; appointing members to the council and that the member must be, in fact, a real estate appraiser. It changes around who is allowed to appoint whom to what and, I'm assuming, tries to update that. The rest of the bill is, essentially, housekeeping.

I've certainly heard the Official Opposition accused of unduly holding up bills in the Assembly, but, you know, if there's nothing wrong with a bill, if it's been looped back through the stakeholder groups and they're supportive of it, particularly if it came from the community which was asking for changes in how they regulated themselves, we're not going to have a problem with that as long as the public in the end is well served. That's our job here: to make sure as legislators that Albertans are going to come out ahead in whatever kind of legislation we make.

As I have outlined here, this is a straightforward bill. It's minor housekeeping changes plus those changes that were requested by the members of the real estate sector. I'm happy on behalf of my

colleagues to speak in favour of this bill in Committee of the Whole, and I'm glad I got the opportunity to just go through it and look a bit more in depth at the various sections that are being proposed here as I didn't get the chance to do that when we were in second reading on the bill.

So thanks for the opportunity, Mr. Chairman.

The Deputy Chair: The hon. Member for Edmonton-Mill Woods.

Dr. Massey: Thank you, Mr. Chairman. I appreciate the opportunity to make a few comments about the act before us right now, the Real Estate Amendment Act, 2003, Bill 7. I think what the act does is speak to the growing maturity of the industry and that maturity in seeking the changes before us which will give the industry more say over the actions and activities of its members. It draws the appraisers under the act's licensing and regulating provisions and, as has been noted, extends the length of time that the association will be able to take action against a member, should that be necessary, and also action against former members. So it really is, I think, a mark of a profession that is maturing and wants to take on more responsibility for the activities within the industry and have some control over the activities of members.

4:30

We've seen a number of acts before us in the last number of years in this Assembly that were put forward by professions who want some of the same kinds of controls that are before us today, and I think that we have been very supportive of those professions and associations realizing that self-discipline is preferable to discipline from the outside. It's much more effective when those people who are fundamentally affected by the activities of industry members have some say in how those members behave and particularly if that behaviour is inappropriate and in any way detracts from the reputation of the industry. As I said, we've been very supportive.

I think that what it shows is the obligation not just that the industry is willing to undertake in terms of protecting the consumers but also other members. It's important, if you're part of a profession, that you know there is a shared obligation by all of the members of your profession to behave in ways that are appropriate and that bring honour and bring credit to the profession or to the industry in which you're working.

So it's a good piece of legislation, and I think the provisions are most reasonable, and hopefully it will have the outcomes that the mover and the industry itself intend. I'm sure, Mr. Chairman, that it will, so I'm delighted to support it and look forward to the speedy passage and proclamation.

Thank you.

[The clauses of Bill 7 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.

Bill 8 Health Foundations Act Repeal Act

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

Ms Blakeman: Thanks very much, Mr. Chairman, for the opportunity to speak to Bill 8, the Health Foundations Act Repeal Act. I know that my colleague the opposition critic on Health and Wellness spoke to this in second reading, and essentially what the act is doing is repealing the Health Foundations Act, which established foundations which were agents of the Crown. I think that originally this was done as a way of facilitating corporate fund-raising, but let me just check my notes here. It turns out that the act is being repealed because there are currently no foundations which exist that are, in fact, covered by the legislation. The legislation was originally passed in 1996 as agent of the Crown foundations for the RHAs, provincial board of health, probably the Alberta Cancer Board. These were set up to take advantage of federal tax laws that were in place in '96 that would allow these foundations to operate with certain tax exemptions.

The donations to the foundations were treated as if they were donations that had been given to the Crown, and if my memory is right, there was a better percentage of tax credit that you got. I mean, currently, for example, the one I'm familiar with is charitable donations to arts foundations. That's really 17 percent, so if you donated a hundred dollars to your favourite local theatre group, when you actually came to do your income tax and you had the tax receipt back from the theatre – it was a charitable tax receipt recognized by Revenue Canada – you were really only excused from paying tax on \$17 out of that hundred dollars that you donated. Now, interestingly enough, when you look at that as a comparison and to demonstrate that there are different percentages depending on what you're looking at, if you look at charitable donations to political parties, in Alberta anyway, up to your first \$150, I think, 75 percent of it is deductible off your income tax. So a much better rate than 17 percent.

This was trying to take advantage of the laws that were in place at the time federally about donations, and it got a much better rate. I'm pressed to remember what the rate was, but you did get a much better rate donating to a Crown corporation, probably closer to what the political parties' one was. I'm just trying to remember now. I know that there was an arts donation that was targeted to a certain organization, I think, but it was donated through what then would have been Alberta Culture or the Alberta Foundation for the Arts to take advantage of a better tax rate. So that was the *raison d'être* for having this act passed in 1996. Then the federal laws repealed the tax exemptions that were available here. Therefore, the foundations didn't enjoy a preferred status and didn't need to use it and, I'm assuming, moved off. I know that the Member for Edmonton-Glenora was, I think, a member of the Glenrose board or perhaps the Glenrose Foundation. Maybe he can add to this.

At the time, this was brought forward as Bill 14, the Health Foundations Act, by the then minister of health, who's now the Minister of Agriculture, Food and Rural Development, and in fact this was to allow for "the establishment of foundations to receive private donations for the benefit of regional health authorities and provincial health boards." I'm quoting out of *Hansard*, page 622, March 18, 1996. The minister went to some lengths to talk about how the new foundations would not interfere with the mandate of the existing foundations and would differ only in that the money would benefit health facilities and programs that were across the entire regional health authority rather than targeted to individual facilities.

"Gifts to agent of the Crown foundations are unconditional. Donors may indicate a preference for the way their gifts are used, but the foundation would not be bound to follow that preference." This is quoting from page 623. Still from the sponsoring minister's remarks in presenting the bill: "This is necessary in order to comply with federal tax legislation." Then the minister continues:

On the other hand, the minister has the authority to set definite priorities for the use of foundation funds in general to ensure that the work of foundations is co-ordinated with the overall goals for the health system and to avoid duplication of effort with other agencies. This authority is similar to other foundations such as the Wild Rose Foundation and Alberta Sport, Recreation, Parks and Wildlife.

So we know why we had it. It did serve a purpose, but when the tax status changed, it was no longer viable, and in fact I think the foundations, if they ever existed, were shut down.

4:40

This is needed to clean up obsolete legislation, and actually I'm pleased to see that, because I have complained in the past that this government has not been good at reviewing and updating its legislation. With the newer legislation that the government has brought forward, it has been careful to put in usually a five-year review date, and I always prefer to have the actual date in the legislation, because then nobody is guessing or trying to go backwards and find out when the proclamation date was so they can go forward and figure out when the five-year mark is. They've been good about putting it in the legislation they've passed but not good about going back and cleaning up some of the archaic language and essentially obsolete and unusable sections in legislation that just, you know, aren't useful anymore or are totally obsolete or, as I said, using archaic language which isn't readily recognized by people today.

What was the example I was thinking of? There was a justice bill, I think, last year, and it was referring to – remember? – people having to advertise in the paper and say: I, so-and-so, say that I'm no longer responsible for the debts of my ex-spouse or my spouse, blah, blah, blah, formerly known of such-and-such an address. I mean, nobody ever did that anymore, yet the law was still on the books and the requirement, strictly speaking, was still on the books. It does show you how law is a living thing and legislation is a living thing and needs to be updated and reviewed and brought out into the fresh air every now and then to make sure that it's still relevant to the lives that people are living. So I'm glad to see that the government has managed to dig this one out. Now, this legislation is not all that old – '96: it's seven years old – but we've got to start somewhere, so I'm certainly willing to support the government in starting on this one.

I should note, however, that at the time the original bill was passed, the Official Opposition members voted against the originating act, the Health Foundations Act, and did raise a number of concerns particularly because it was centralizing power in the minister's office. That, frankly, is a theme that we've continued to see from the government since 1996, where we get to kind of framework bills or shell bills where everything is referred to the minister and the minister may decide to make recommendations or do something. But it's always centralized back to the minister, who may decide to do something or not to do something. They have a total say in it, and I'm frustrated with that because I don't think it serves Albertans.

You see, it does lead to the kind of confusion we've got right now over the energy bills, where there was a lot of talk from the government at the time that would make people believe, correctly or incorrectly, that they would get energy rebates if the price per gigajoule went over \$5.50. Of course, as soon as it got even near to that, people started going, "Okay; when are the rebates coming?" and not a word was said. Then it passed over that amount, and still not a word was said, and people started to say, "There was a promise here, and you've broken your promise," including members of the Official Opposition, rightly so, saying: you promised. Well, no. Then the real, exact language of the bill was trotted out, and it's:

“No, no, no. This is a yearly average, and we have to go through the full 12-month period before we can determine what that annual average is. No, people won’t be seeing any of this until sometime much later, probably in the summer.” So that is the kind of frustration that people experience when we have that kind of centralization of power into the minister’s office. I don’t think it serves Albertans well.

The second concern that we had at the time was that the new foundations would compete with the existing foundations for charitable dollars, and we continue to have that as an issue everywhere in the charitable sector as more and more programs and services are either abandoned by government and picked up by that sector or there’s an arrangement made or a contract signed, in some cases, to transfer government programs and services to be delivered by the nonprofit sector, and somehow the money never exactly goes along and matches it. So if the program was a hundred thousand dollar program but, you know, you also had to consider the cost of the secretary that answered the phone and the photocopy person and the cost of the desk and the extra telephone line and the extra paper this person would use, et cetera, et cetera, it was going to be more than the cash amount of \$100,000. That extra amount, that administrative support amount of money, never seems to come along with that original grant, and slowly but surely the charitable sector ends up fund-raising to pay for the entire cost of a program that’s essentially a government program. Therefore, they need to be able to be accessing those charitable dollars, and the competition is pretty fierce. Here we were raising the concern that the foundations would be competing with existing foundations for that ever scarce charitable dollar.

The final issue that was of concern to us was that donors could not direct their donations. Now, I did earlier refer to and quote the minister’s opening remarks at the time back into the record in which it was clear that the minister could direct that but the donors could not. Once their money was given to agents of the Crown, it was disbursed as the foundation – which you need to read as “the minister” – saw fit, and it was to be disbursed throughout the regional health authority, not just to a particular facility. So, in fact, I think that at that point you would have to go directly to probably the original foundation or the friends-of group associated with a facility and donate through them, but, back to where we started, you would then be receiving less of a charitable tax receipt for it at whatever lower rate it was pegged for. You would not be able to take advantage of the higher rate that was available if you donated through the Crown corporation.

So that was the trade-off people had. You could donate through the Crown corporation and get a higher tax receipt, but you weren’t able to direct where your donation went, or you could go directly to a facility or friends-of organization, give them the money and direct it specifically to a program – children’s services or pediatric services, whatever you wanted – but you would get a much smaller tax receipt. It would be worth less.

So it’s interesting to read back before I was elected and see what my colleagues were doing at the time and that, in fact, reading it now, I agree with a number of the issues that they raised, because those issues continue to be of concern to me and, I think, to Albertans some seven years later.

So in not approving of the bill being brought forward in the first place, I’m certainly willing to stand and support the bill being repealed at this time. Thanks for the opportunity to raise these issues, particularly the ones around the charitable sector, and to underline again how important any assistance we can give the charitable sector is. I appreciate the opportunity to speak to the bill in Committee of the Whole.

Thank you.

The Deputy Chair: The hon. Member for Edmonton-Mill Woods.

Dr. Massey: Thank you, Mr. Chairman. Just a few comments. I think the committee were supposed to examine the clauses of the bill, and there is only one clause in this bill to look at, and it’s the essence of the bill. I think the minister made it abundantly clear when he introduced it that this was to repeal the provision that allowed Crown foundations to be formed that would be able to take advantage of the unique tax incentives that Crown foundations enjoy and that no one had taken up the challenge and actually formed one of these foundations.

4:50

I suspect that one of the things that will have to be made abundantly clear – and the minister did make the remarks when he introduced the bill – is that this in no way affects all those foundations that are already in place in the health care system. The foundations that had been established and operated under the former hospital districts and those that were established under the Hospitals Act are still viable foundations. They’re still going to be appealing for money and support.

As I say, I think the choice of language was unfortunate when this act, the Health Foundations Act, was introduced in 1996. It may have been wiser, in retrospect, to choose a descriptor that wouldn’t cause the kind of confusion that is possible now where people hearing of this legislation may assume that all foundations are no longer viable. I think that would be unfortunate in the extreme because those foundations do extremely good work for the community on the projects that they undertake with respect to providing services and support for the public health care system, and if in any way their efforts should be somehow or other affected by the repeal of this act, I think it would indeed be, as I said, unfortunate.

The act is very straightforward, and I assume that because no one actually created one of these Crown foundations, the effect of passing this bill will be minimal. Whether there were any plans in the works to establish them, we haven’t been told. We’ve heard nothing from any such individuals or groups, so one can only assume that it was a piece of legislation that was seen to be superfluous. Even with the attraction of the credits that were available to Crown foundations, that still wasn’t deemed incentive enough for groups or individuals to go out and create new foundations or to take the foundations that they were already part of and to re-create them under Crown foundations so that they could actually benefit from the tax benefits of Crown foundations.

I think that with those few comments, Mr. Chair, I’d conclude. Thank you.

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

Mr. Bonner: Yes. Thank you very much, Mr. Chairman. I would also like to make a few comments today on Bill 8, the Health Foundations Act Repeal Act, and welcome the opportunity to do so. I see that this bill was sponsored by the Minister of Health and Wellness, the Member for Calgary-Nose Creek.

Certainly, I think it is a bill that is required. I can say quite honestly that in all my time in the Legislative Assembly it is without a doubt the shortest bill. There are some very important points that must be raised when we are looking at this particular bill. So when I was preparing my comments on Bill 8, the Health Foundations Act Repeal Act, I first of all looked at the bill and decided after a lot of scrutiny that this was a good bill, that this is a bill that I can certainly support.

Some of the rationales as to why I came to these conclusions are that there are no foundations which currently exist which are covered

under this legislation and that foundations are currently covered under the RHA foundations regulations. I also found out that no foundation or RHA currently existing will be affected by the removal of this legislation. I found out in discussions with the Capital health authority that they indicated that repealing this act would have no effect on their foundations or assets. I think that was critical in that we know that certainly in the area of health in this province all RHAs are certainly under very fine, fine lines when it comes to their finances, so we wouldn't want to see anything that would impact their ability to raise funds or anything that would affect their assets.

Now, then, as well, by way of a little history I found out that in 1996 the Liberal caucus voted against the Health Foundations Act and raised several concerns. One of the concerns that we had at that particular time and one of the reasons that we did vote against this particular bill was that it would centralize power in the minister's office. This was an issue that we felt very strongly about, that we could not support legislation of this nature when it had centralized power in the minister's office.

Another reason that this caucus voted against this particular bill in 1996 was the fact that new foundations would compete with existing foundations for charitable dollars. Certainly, since 1996 I think all of us have experienced that there has been just a huge, huge demand in all sectors of society for charitable dollars. I know that in my particular constituency I would say that we get at least two or three requests for some type of charitable dollars or donations to various groups. So with the expansion of new foundations and the number of foundations in this province we certainly were concerned about the competition for charitable dollars. We have seen, particularly over the last few years, a great development in the types of lotteries that different organizations will have and, as well, the creativity that is involved in these fund-raising efforts. Those can be for luxurious cars, for exotic holidays. We have seen fund-raising attempts which will have a number of beautiful homes up for raffle. So, certainly, we were quite concerned at that time and would be again today as to the scope and the nature of foundations competing with one another for those much-needed and dear charitable dollars.

5:00

Another concern we had in 1996, Mr. Chairman, was the fact that donors in this province could not direct their donations. What would have happened in 1996 was that money given to agents of the Crown would be disbursed as a foundation, which may be directed by the minister as the minister sees fit. Again it gets back to that central question as to the centralization of power in the minister's office. In fact, this was such an issue that the then MLA for Edmonton-Glenora introduced an amendment that Bill 14, the Health Foundations Act, not be read a third time. To quote that member on April 29, 1996, he goes on to say:

So, Mr. Chairman, Bill 14, [the Health Foundations Act] is not good public policy. Bill 14 should not become law in this province. Consequently, at this time I would like to move the following amendment. The amendment reads that everything after the word "that" be substituted with the following:

Bill 14, the Health Foundations Act, not be read a third time because the government has not proven to Albertans that agent of the Crown health foundations will not unduly compete with and impede the ability of existing health-related foundations to raise funds and carry on their charitable activities.

Now, these were the wise words of the then member sitting for Edmonton-Glenora, and these were presented to the House on April 12, 1996. So we had concerns as far back as then about this particular bill.

You know, we did have the opportunity and we do now have the

opportunity to point out that the government was warned that this act was bad policy, and they should have heeded the advice of Her Majesty's Loyal Opposition at that time and not passed the Health Foundations Act to begin with. We also note that the government will claim that they are not repealing this legislation because it is bad policy but, rather, because changes were made to the federal tax laws that these foundations were set up to take advantage of.

So with those comments, Mr. Chairman, I certainly have to say that there are many, many things that could be said about Bill 8 even though it is such a short bill, but at this time I would like to conclude my remarks on Bill 8 and certainly listen to the exciting debate of other members on this particular piece of legislation. I thank you for this opportunity to speak to it.

[The clauses of Bill 8 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.

Bill 9

Mines and Minerals 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-Mill Woods.

Dr. Massey: Thanks, Mr. Chairman. I listened when the minister introduced Bill 9 and spoke of the extensive consultation that had been undertaken. I think that at the time he indicated that over 2,000 stakeholders had been contacted about the changes that appear in the bill before us, and that's a lot of consultation. I think it's the kind of homework that leads to the easy passage of bills through the Legislature when we can be assured that all of those people who are going to be affected by a particular piece of legislation have actually been contacted and know what's going to be included in the legislation, not only know that but have had some part in the drafting and agree that the legislation is in their best interests.

So I'm pleased that the minister has done that kind of consultation, and the intent of the bill, I think the objects of the bill are clear. It gets over a huge problem for the industry, and that's the tracking and the enforcement of exploration projects and the equipment and companies that are operating in an area. In the past this has proven to be a problem. Having no universal system for clearly identifying who was doing what in an area has led to a number of problems with landowners; for instance, not knowing who is operating in their area and having no common way of identifying from the activity exactly who the operators are. That's one of the major changes that the bill allows. It introduces a common marking system that will be used throughout the province so you can readily identify the operator in an area and the kinds of things that are going on.

Additionally, it allows greater powers for inspectors of exploration projects, and that, I think, is going to be welcomed by landowners. It also allows for the adoption of codes from other industries into the regular exploration regulations, and that will be useful. I think one of the other powers that it gives is the power of the minister to issue stop orders. Again, given the exploration activities and the extent of those activities across the province, that's a provision that I think

will prove useful in some instances. What that really allows is the field staff to stop and take immediate action if there is potential damage to the environment.

That's a critical power, Mr. Chairman, to have: allowing immediate action to be taken and then allowing for a more reasoned and a more problem-solving approach to the issue than the kinds of processes that are in place at the present time. This act will allow activity to be halted immediately and then for the problem to be looked at and some decisions made. I think that that again will be welcomed by landowners and those people who are concerned particularly with environmental damages and things that may happen because of exploration that may put them at a disadvantage or may somehow or other affect the environment negatively.

So I think we've been through the bill, Mr. Chairman. We're pleased that it's here. A good number of the items in the act are simply housekeeping provisions that had to be made, but I think that the major thrusts of the bill, putting in place an identification system and also the powers for the minister to stop action, are two very important provisions. I'm pleased to support the bill.

Thank you, Mr. Chairman.

[The clauses of Bill 9 agreed to]

[Title and preamble agreed to]

5:10

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

Hon. Members: Agreed.

The Deputy Chair: Opposed? Carried.

The hon. Government House Leader.

Mr. Hancock: Thank you, Mr. Chairman. I would move that the committee rise and report.

[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 under consideration certain bills. The committee reports the following: bills 4, 5, 7, 8, and 9.

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

Hon. Members: Agreed.

The Acting Speaker: Opposed? So ordered.

The hon. Government House Leader.

Mr. Hancock: Thank you, Mr. Speaker. I'd move that we adjourn until 8 this evening.

[Motion carried; the Assembly adjourned at 5:13 p.m.]