

## Legislative Assembly of Alberta

Title: **Wednesday, February 18, 2004** **8:00 p.m.**  
 Date: 2004/02/18  
 [The Deputy Speaker in the chair]

**The Deputy Speaker:** Please be seated.

head: **Government Motions**

4. Mr. Stevens moved on behalf of Mrs. Nelson:  
 Be it resolved that the Assembly do resolve itself into Committee of Supply, when called, to consider supply to be granted to Her Majesty.

[Government Motion 4 carried]

5. Mr. Stevens moved on behalf of Mr. Hancock:  
 Be it resolved that the Assembly resolve itself into Committee of the Whole, when called, to consider certain bills on the Order Paper.

[Government Motion 5 carried]

### Spring Recess

6. Mr. Stevens moved on behalf of Mr. Hancock:  
 Be it resolved that when the Assembly adjourns on Thursday, April 1, 2004, at the regular hour of 5:30 p.m., it shall stand adjourned until Monday, April 19, 2004, at 1:30 p.m.

[Government Motion 6 carried]

**The Deputy Speaker:** May we have unanimous consent for a brief introduction of guests?

[Unanimous consent granted]

head: **Introduction of Guests**

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

**Mr. MacDonald:** Thank you very much, Mr. Speaker. It is a pleasure to rise and introduce to you and through you to all hon. members of this Assembly 33 air cadets and four individuals who are accompanying them tonight. These 33 individuals are members of the 810 Grant McConachie Air Cadet Squadron, and they are accompanied this evening by Second Lieutenant David Jackson, Mrs. Deb Leonard, Jen Carter, and Scott Packrant. They are in the public gallery, and I would now ask them to please rise and receive the warm and traditional welcome of this House.

Thank you.

head: **Government Motions**  
*(continued)*

### Adjournment of Session

7. Mr. Stevens moved on behalf of Mr. Hancock:  
 Be it resolved that when the Assembly adjourns to recess the spring sitting of the Fourth Session of the 25th Legislature, it shall stand adjourned until a time and date as determined by the Speaker after consultation with the Lieutenant Governor in Council.

[Government Motion 7 carried]

head: **Consideration of Her Honour  
 the Lieutenant Governor's Speech**

Mr. Griffiths moved that an humble address be presented to Her Honour the Honourable the Lieutenant Governor as follows.

To Her Honour the Honourable Lois E. Hole, CM, AOE, Lieutenant Governor of the province of Alberta:

We, Her Majesty's most dutiful and loyal subjects, the Legislative Assembly, now assembled, beg leave to thank you, Your Honour, for the gracious speech Your Honour has been pleased to address to us at the opening of the present session.

[Debate adjourned: February 18]

**The Deputy Speaker:** Do we have further speakers? I was going to indicate that we didn't seem to have any speakers, and then suddenly my eyes deceived me and there are three. We'll take the hon. Member for Calgary-Shaw.

**Mrs. Ady:** Thank you, Mr. Speaker. I'm pleased to rise and share with the Assembly my response to the throne speech tonight. As always, I was impressed with the Honourable the Lieutenant Governor as she delivered her speech, and I always ask myself: why do we have such a deep affection for her? Why does everybody when they speak of her always talk about these wonderful characteristics and the things that they like best about her? I thought: the thing she represents to me sometimes is that she just really loves the province and she loves us, and you just love the things that love you. You can feel that come off her. Her words kind of bring a pride into this House, and it's a thing that reminds us what being an Albertan is like and what loving your home means.

It's been almost three years since I rose on the floor of this Assembly to give my maiden speech, and I'd like to say that these past few years have provided me with many opportunities and experiences that I'll be forever thankful for. In my maiden speech I shared with the Assembly, as some of you may remember, a brief perspective of the Calgary-Shaw constituency. At that time there were some 80,000 constituents living in the constituency, and they expressed similar concerns to those I've heard from my colleagues. At that time they wanted a good education system, strong, accessible health care, and the assurance of a bright and prosperous future for their children.

The three main concerns, though, for Calgary-Shaw were infrastructure, infrastructure, and infrastructure. I represented Alberta's most populated constituency, and it was growing at a breathtaking rate, a far cry from the three subdivisions and a cow pasture that once was Calgary-Shaw as described by the hon. Jim Dinning in his 1986 maiden speech. However, this was 15 years later, and in place of a sparse subdivision and abundant pasture came the most densely populated constituency in the province. We needed schools, we needed roads and health care facilities, and we needed them yesterday.

Much has happened since my maiden speech, and I'd like to acknowledge the work that we as government have done to address those needs and to help make the constituency of Calgary-Shaw what it has become. The thing that I have learned since I've come into government is that the work is never finished. You can never sit back and say: all is well, and there are no problems in the province of Alberta. Constantly that landscape changes, and government has to be able to be adaptable and flexible as it meets the challenges that come to it.

For example, who would have thought that one cow could create so much devastation to an industry in this province? As I listened to my colleagues today in their responses to the throne speech talk

about their areas, I have great sympathy for them as they are dealing with changes in their constituencies that they never anticipated and with families that are looking at lifestyles changing, industries, homes. So I have great sympathy for them. The thing that it has taught me is that as government you can't relax. You have to always be mindful of the challenges that are coming and be ready to meet those. But I think it's also important that we not spend all of our time on today's problems, that we take just a moment and we pause and we recognize the things that we have received in government and what government has been able to do for us and that we be grateful for those things.

Government has done a lot of work in the Calgary-Shaw constituency. It has successfully laid the foundation that will allow the communities and families within the constituency to flourish as Alberta enters its second century. Over the past three years we have announced or opened nine educational facilities, including six new elementary and middle schools, a private school, and two high schools. That is not an insignificant number of educational facilities, and that's just in the south end of Calgary. So I think that government has done a great deal of work and that we should be able to look back on that and acknowledge what has been done.

The traffic tribulations have been eased with the construction of the extension of the Deerfoot Trail. In this month's newsletter I was saying to my constituents that everybody in the constituency is saying, in whispers almost, how much better our life has become since the Deerfoot Trail extension opened. We went from bogged down and miserable to almost overnight going back to something that is reasonable. My constituents could tell immediately that the Deerfoot Trail extension had opened. It fundamentally changed the quality of their lives in the south end of the city of Calgary, and we want to say that we're grateful to government for the work that they did on that.

In June an urgent medical care centre will open in Sundance, part of the new SouthLink health centre. For the first time in Calgary when we need stitches at night or someone breaks a bone, we don't have to go necessarily to the emergency wing and try and triage ourselves between people that are having serious health concerns such as heart attacks. We'll be able to access this new health centre, and it'll open this June. It's a wonderful example of a P3 partnership in the province of Alberta. As well, the Calgary health region has acquired land for a hospital south, by the community of Cranston. I can assure you that you will hear me as well as my colleagues discuss this project in the future as we work toward its approval. This adds to the two health care facilities that opened in Calgary-Shaw over the past three years.

We must also not forget the 18 local projects that are government supported through the community facility enhancement program and the community initiative programs. These projects range from recreational complexes to playgrounds to community centre renovations.

They're all amazing contributions and accomplishments, and I'd like to take this opportunity to thank the Alberta government on behalf of the citizens of Calgary-Shaw for their attention to the needs of the constituency. I came into the office with a long wish list, and many of the concerns have been answered by this government. It's no surprise to me that the rest of the country has figured out that Alberta is a wonderful place to live. They are coming and they continue to come in record numbers not just to Calgary-Shaw but to many constituencies in this province, and this work will go on.

#### 8:10

As we commence the Fourth Session of the 25th Legislature, we continue to build on the commitment the government embarked on

12 years ago. To ensure Alberta's continued success and prosperity, the government has developed a 20-year plan. This plan will build on Alberta's first hundred years and take us into the province's second century equipped to excel locally, nationally, and internationally. The four pillars that were discussed during the throne speech encompass much of what has contributed to Alberta's overwhelming success over the past hundred years. They will act to further advance the province in what has made it so successful. I'd like to commend the government on committing to these long-term goals and ensuring that Alberta's future will be bright and rich.

A substantial portion of Calgary-Shaw's constituency is represented by some 25,000 children within this constituency looking for this government to make the choices that will ensure them educational opportunities, jobs, a healthy environment, and a successful, prosperous province. That's what they heard yesterday in the Speech from the Throne, and I commend the government on making those choices. It's now up to us to follow through and make that future a reality.

The Alberta centennial education savings plan is an investment in Alberta's children, and it encourages parents to plan for their children's future. I am the mother of four children, three of them at the age of advanced education with one more joining them in a year, and I know that planning for your kids' educational future is critical. This plan will help encourage that investment and will undoubtedly contribute to the future success and well-being of Alberta's children, but also, as the Premier said in remarks about this, the Alberta centennial education plan is an exciting way for Albertans to support and encourage children to pursue further education and help ensure future success. It is fitting that the end of the province's first century be marked by an investment in the children who will carry on the Alberta advantage in the second century. I find this an exciting venture that the government is heading into.

The Alberta centennial education plan is an investment in Alberta's children that encourages parents to plan. It is important. This investment will undoubtedly contribute to future success well into the future. The government has made education a top priority in its 20-year plan. That bodes well for the 25,000 children living in Calgary-Shaw as well as for the children that live throughout the province. They are, after all, the leaders and the workers of tomorrow and the ones that will be taking care of us when we're no longer able to.

The government's support of the recommendations from Alberta's Commission on Learning is also important to the education of Alberta's children and the families of Calgary-Shaw. Five hundred copies of the report were distributed from my constituency office alone last year. I had the privilege of meeting with parent councils at schools throughout the constituency to discuss the recommendations, and I think that some of the more interesting moments I've spent in government I spent listening to those parents as they talked about what they wanted to see education look like in the future of this province. Some of the recommendations have been carried out, but it's also important that we continue to study and implement the remaining recommendations to ensure that every Albertan has the opportunity to take part in Alberta's educational opportunities and excel while doing it.

Finally, I would like to commend the government on their commitment to continue with the centennial capital plan, which addresses infrastructure concerns in the Calgary-Shaw area but also throughout the province. We know that people will continue to come to this province because we've set in place those things that make this province successful. People are attracted to success, and they will continue to come. We can make all the promises we want concerning education and health care, but those promises are empty

without schools and health care facilities to make them a reality.

In closing, I would like to take just a moment to thank my colleagues for their support and their friendship over the past three years and express my most sincere appreciation to the government for addressing the many needs that I expressed in my maiden speech. Calgary-Shaw is a constituency built on strong families of all shapes and sizes. That strength is seen throughout this province, and it is apparent that the province is committed for the next 20 years to ensuring that things will only get stronger.

Thank you, Mr. Speaker.

**The Deputy Speaker:** Hon. Member for Olds-Didsbury-Three Hills, were you wishing to ask a question of the hon. member, or is it okay to go on?

Okay. The hon. Member for Edmonton-Gold Bar.

**Mr. MacDonald:** Thank you very much, Mr. Speaker. It's a pleasure to rise this evening and participate in the Speech from the Throne that was delivered by Her Honour on Tuesday, February 17. Certainly, whenever one is sitting here and watching the parade of people entering the Assembly, one would be left with the impression that this is an open and a transparent government. The doors are opened and many people from many walks of life enter the Assembly, and unfortunately we don't see or hear from them again until the next Speech from the Throne. Sometimes I think that the interests of Albertans would be better served if, perhaps, a little of this space were allocated on a daily basis for the taxpayers.

We on this side of the House listened with a great deal of interest to this plan. It was an extension of what the hon. Premier had said in his television address, and I forget exactly how much that cost the taxpayers, but it was a significant amount of money. It's wonderful to talk about Alberta's second century, which will unfold next year. We're talking about our proud history and a promising future, and certainly the first 100 years for this province have been proud.

There have been significant achievements not only in this province but in this province's role in the country, and it is a role, I hope, that will continue to develop. At the end of another 100 years of this country's history I am certain that Alberta will be playing a leading role. Despite some of this government's policies I think this province will grow and it will prosper, but it will certainly change from a province which is reliant upon natural resources, which are depleting, to a province which will rely upon a public education system that is used to produce economic wealth, an education system that would be accessible to all.

The first criterion of a good education system, Mr. Speaker, is accessibility. Unfortunately, in this province we are rapidly becoming a place where not everyone who has the ability can go to a postsecondary institution. I would caution all members of this Assembly to reflect on this, and perhaps we can make further improvements so that each and every student that has the ability and wants to go can improve themselves through the education system.

The education system has to be accessible, and it has to be affordable. The best way to do this is, of course, through a public education system just as the best way to deliver the maximum amount of health care to the most number of citizens is through the public health care system. We can't allow our public health system and our public education system to be eroded by a government that seems to think that privatization is the answer to everything.

8:20

Now, the hon. member who spoke previously, Mr. Speaker, talked about the 20-year plan. Twenty-year plans are fine, but this government has overlooked the fact that because of electricity

deregulation we don't even have a 20-week plan in this province as far as the planning for electricity transmission expansion goes or the expansion of our generating capacity. We can talk about 20-year plans and we can talk about the future, but we can't talk about that with this government's electricity deregulation plan because there was no long-term planning. If we're going to talk about planning for Alberta's future, well, then, we should also be talking about our future as far as the electricity grid goes, and that has not been done. It has been a major policy failure. There is no mention in this throne speech about unplugging electricity deregulation.

In fact, we're talking about bills. We talk about a lot of bills in this Assembly. We're already talking about bills 2, 3, 4, 5, 6, and 7. This government has forgotten about the really important bills for Albertans, and that's their natural gas bill at the end of every month, their electricity bill at the end of every month, their insurance bill, the bill for their children's tuition fees, the increasing number of tax increases. They may call them user fees; I call them tax increases, Mr. Speaker.

I received my car registration the other day. It's gone up. Look at the bills seniors have to pay. We've got long-term care costs. We have CHOICE programs that are now being paid for partially by the seniors. There is no end to the bills that because of this government's policies consumers – Albertans, citizens, taxpayers; call it what you like – are having to pay. This document does not mention those bills, those bills which Albertans are telling us they are most concerned about. In fact, in our constituency of Edmonton-Gold Bar we had a town hall meeting last week to hear directly from the citizens exactly what they want this government to do. It would be a great centennial gift to the citizens if this government were to simply say: we were wrong; we're unplugging electricity deregulation. This has not worked. It is the biggest public policy failure in the history of Canada. That's what they would like to see.

They would like to see some sort of control on skyrocketing insurance costs, but there's no mention. There's no mention of auto insurance in this document, Mr. Speaker.

How are we going to deal with the high cost of natural gas over the long term, over the 20-year period? No mention of that either.

In fact, I would have to say, you know, that this is really a lite document. It's a lite document, and it's the first piece of campaign literature that the public, the citizens of this province, are seeing before the next provincial election. I consider this nothing more than campaign literature, and unfortunately it had to be financed by the taxpayers. If the Progressive Conservative Party wants to produce campaign literature, I think they should do it out of their ample budget because they do have, as far as I know, a lot of money. They have plenty of money.

Now, Mr. Speaker, there are some other issues, I'm sad to say, that were not addressed, and one of them is connected to the high tuition costs. Everyone knows the crisis that has occurred in rural Alberta as a result of BSE. Alberta has several vacancies in the medical professions for individuals who are trained to perform the tests for BSE, chronic wasting disease, and other transmissible diseases. Now, there's a shortage of these veterinary pathologists around the world, and many of them are snatched up by the private sector, who pays better and provides better benefits and better working conditions. For the sake of food safety the government needs to increase the salary and benefits of these professionals in order to be able to compete in the world market for these much-needed people.

We have to attract young people into these professions. I don't know; maybe the hon. minister has a plan that is going to attract, for instance, the brightest and best in the 4-H club movement to these professions. Hopefully, that's going to happen, but we not only have a shortage of veterinary pathologists, we have a shortage of trained

surgeons, we have a shortage of registered nurses, and we'll probably again have a shortage of teachers. This in my view is called long-term planning to deal with these shortages. We just can't keep jacking up the tuition fees and then scratch our heads whenever we have shortages of some of these skilled and much-needed professionals.

Now, intensive livestock operations. We've had a number of debates in the past in this Assembly on ILOs, and there have been several instances where communities have been torn over the establishment of these intensive livestock operations, or confined feeding operations, in Alberta. Hardisty was one such example, and there are also serious concerns in the Valleyview and Grande Prairie regions. The government brought in the Agricultural Operation Practices Act in order to standardize the approval of these facilities across the province; however, as I understand it from calls to the office, there are serious flaws in that act, and I don't see anything to address that in this throne speech.

There is the improper safeguard for the environment. There are water concerns as well as air pollution concerns which remain, and I would like an explanation from the members across the way as to how the provincial water council, which is to be established to help manage the resources for future generations of Albertans, is going to deal with this issue, Mr. Speaker. These facilities are not required to undergo health impact assessments to ensure that Albertans close to these operations but also at greater distances are not affected by them.

There have also been concerns expressed about the expertise of the officers who examine the lagoons. There was one case where an officer approved a lagoon in an area where the soil content was 50 per cent sand. Further, it was located near an aquifer. These sorts of rubber-stamp approvals . . .

**Dr. Taylor:** Aquifer.

**Mr. MacDonald:** I stand corrected. I'm really glad to see that the hon. minister is awake. That's certainly a change, Mr. Speaker.

Communities are the ones that have to live with these operations. They should be the ones to have the final say as to their approval or expansion.

In conclusion, Mr. Speaker, there is a sense in this province that it's time for democratic renewal. This Bill 7, the Senatorial Selection Amendment Act, 2004, is a start. One could call it a start, but it's certainly not what we need in this province. Several provinces such as B.C. and New Brunswick have started consultation on changing the electoral system in favour of a system which better reflects the true wishes of their respective citizenry for representation. For instance, if we had representation by population, there would be a lot more Liberals and there would be a lot more New Democrats in this Assembly and a lot less Conservatives. I think you have the best government whenever you have a strong opposition regardless of which level of government you're at, Mr. Speaker. There's no mention of a gift to the citizens of this province in their next 100 years in Confederation of even going back to the system we had previously, which was a form of representative elections.

Thank you.

8:30

**The Deputy Speaker:** No indication of questions. Hon. Member for Edmonton-Highlands, a question?

**Mr. Mason:** Thank you very much, Mr. Speaker. I have a question for the hon. Member for Edmonton-Gold Bar. I'm wondering: does he think that Bill 1 will provide the framework for people to begin

saving now for their children who are yet to be born so that they can afford all of the tuition increases between now and the time their children enter university?

**Mr. MacDonald:** Certainly, that is a very good question because if we look at the children that are born next year, by the time they enter university, they're going to need close to \$92,000 to get a four-year degree. A four-year degree. Now, this amount of money will probably buy a few books. It's a start. It's a very modest start, but we would be better served, I believe, with a freeze of tuition fees. We can freeze car insurance premiums. Why can't we freeze tuition fees? Why can't we make postsecondary education accessible and affordable? But it's a gesture. Perhaps it's an admission of guilt by this government that they have allowed tuition fees to skyrocket and many people cannot afford them.

In conclusion, hon. Member for Edmonton-Highlands, I would have to say that many of the citizens will not be able to set aside any money for their children's education as the government had planned because they need it all for their electricity bill, their natural gas bill, and if they can afford a car, to insure it.

Thank you.

**The Deputy Speaker:** Hon. Member for Calgary-West, a question?

**Ms Kryczka:** Does it have to be a question, Mr. Speaker?

**The Deputy Speaker:** Or a comment.

**Ms Kryczka:** A comment? Yes, I would like to make a comment. I heard the Member for Edmonton-Gold Bar make a comment on bills, bills, bills. He made specific reference to the long-term care increase for seniors, and as the member well knows, though, there has been no real increase in long-term care rates in Alberta since 1994. By far we have been for many years the lowest in Canada, and even with the increase that we recently had, we are still among the lowest, if not the lowest, in Canada. I would say that if you want to look at a glass that's half full rather than half empty, I feel that our seniors and those who are in long-term care situations had a great deal for many years, but it was catch-up time. We all want quality of care, and quality of care costs.

Thank you.

**The Deputy Speaker:** Do you want to respond to the comment?

**Mr. MacDonald:** Yes, Mr. Speaker. I would like at this time to remind the hon. Member for Calgary-West that this government has been slowly but surely eroding the benefits from the seniors in this province, and it's got to stop. Seniors can no longer afford to take these insensitive hits from this government. Seniors have been nickelled-and-dimed by this government for the last 10 years, and they cannot afford any increase in their long-term care rates. I'm sorry; many seniors in the community that I represent in this Assembly are appalled at how this government is treating them.

Thank you.

**The Deputy Speaker:** The hon. Member for Edmonton-Rutherford.

**Mr. McClelland:** Thank you, Mr. Speaker. I wonder if the Member for Edmonton-Gold Bar could share with the House his mathematics and how he came to the conclusion that a four-year undergraduate degree was going to cost over \$90,000 in 17 or 18 years. It would be some interesting mathematics to try to figure out how to make that particular investment.

While the member is on his feet, perhaps he can explain to the House, if deregulation of electricity has been such a startling failure in his eyes, how it is that we end up with over 30 per cent more surplus power in the province with a price per kilowatt hour that is lower than virtually every other jurisdiction in Canada, and why we have not one cent of public investment in that extra generation capacity, we haven't had a brownout, industry is growing, consumers are gradually shaking out the problems.

**The Deputy Speaker:** Hon. member, you're unable to respond. That's the rules of the game. You have the five minutes.

I wonder if the hon. members would agree to briefly revert to Introduction of Guests.

[Unanimous consent granted]

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

**The Deputy Speaker:** The hon. Member for Edmonton-Glengarry.

**Mr. Bonner:** Thank you, Mr. Speaker. It gives me a great deal of pleasure this evening to introduce to you and through you to all members of the Assembly Dr. Paul Grundy. He is a parent of children in Belgravia elementary school, Vernon Barford junior high school, and Ross Sheppard high school. Accompanying him this evening is Dr. Robert Price, who is a parent of a child in Belgravia elementary school, as well as Preet Sara, who is with the Action for Education committee. They are seated in the members' gallery, and I would now ask that they rise and receive the traditional warm welcome of the Assembly.

head: **Consideration of Her Honour  
the Lieutenant Governor's Speech**  
(*continued*)

**The Deputy Speaker:** The hon. Member for Grande Prairie-Smoky.

**Mr. Knight:** Thank you, Mr. Speaker. It is indeed with pleasure that I rise this evening to respond briefly to the Speech from the Throne and particularly as it relates to northern and northwestern Alberta. As many are already aware, the north is in the beginning stages of some critical world-scale developments that will meld with past success to define this province as a dynamic player in North American and global political and industrial jurisdictions. This throne speech, with its four key pillars, speaks volumes to our confidence and ability as we plan for the next two decades in this province.

Allow me, Mr. Speaker, to take a moment to look back at a few of our previous successes and connect them to this encouraging throne speech and that to our bright, positive future. Innovation is no stranger to Albertans and certainly not to northerners. OSTR, the Alberta Oil Sands Technology and Research Authority, was a program initiated by Shell and the Alberta government, and they started with the underground oil sands in the area just out of the town of Peace River, a little east of Peace River, and worked there on steam-assisted drainage, in those days called huff and puff. Those meagre beginnings about 24, 25 years ago have resulted in some tremendous, tremendous potential for the province of Alberta in the SAGD recovery of oil sands in north and northeastern Alberta.

Mr. Speaker, another example of innovation is the new biomass generator that we see in place in Grande Prairie, start-up to be commencing in April, where we'll produce about 50 megawatts of power from biomass that used to be burned as waste from the fibre industry.

On the Peace River we have a run-of-the-river weir that is now being re-permitted or at least the application is being reassessed. Again, run-of-the-river, a more or less benign operation with respect to the environment, producing 80 megawatts of much-needed power in Alberta's northwest.

We've seen advances in engineered wood products. The first off export line cryogenic or deep-cut plant to remove natural gas liquids from sales gas, done in northwestern Alberta about 35 miles west of the city of Grande Prairie. Again, innovation, Mr. Speaker, that keeps Alberta at the lead of this industry in North America and certainly in the world. Directional drilling technologies are certainly another one. Livestock diversification programs, which, although I do admit are under siege at this moment, still – still – have opportunity and do show promise. One of Alberta's ads could read: innovations are us.

**8:40**

Mr. Speaker, as we move to leading in learning, I believe that the Learning Commission, the first full review of the education system in Alberta that was undertaken in more than 30 years, was much needed and well received certainly by educators, by most parents in Alberta, and I believe by most members of this government. What we need now and what we have and what I believe we have is the courage to move ahead with the recommendations contained in that report. Things like the new funding framework and new funding for postsecondary schools and a capital plan in place to replace and modernize schools are things that will keep Alberta at the lead in learning.

We don't have to look far, Mr. Speaker. The information and the writing is everywhere, in newspapers, certainly in reports from school boards across the province, that shows that Alberta produces some of the best students in the world. Our system is rated one of the best in Canada in a report from Stats Canada, and Alberta students continue to score amongst the highest marks in the world on reading tests and certainly close to the top with respect to science and mathematics. Those initiatives that have been brought forward by this government will stand Alberta in good stead as we look ahead to our next 100 years.

Mr. Speaker, the global marketplace is another initiative in which Alberta, with its very, very strong leadership both from our Premier and from the Minister of Economic Development, is moving out – we are moving out – into new areas, into areas where we have traditionally had good markets. Our success is phenomenal. Albertans can be found working and contributing on every continent on the globe, and that, I believe, for a place the size of Alberta, 3 million people, is remarkable.

I would like to touch a bit on the contribution of Albertans globally in areas such as medicine, energy, agriculture, forestry, and the environmental and hydrology fields. Closer to home, Mr. Speaker, we continue to explore ways to increase the capabilities to supply North American energy markets. We have in place, soon to be brought into action I believe, the Alaska/Alberta bilateral task force. These initiatives taken on by the Premier of the province of Alberta in conjunction with contemporaries in the areas where we trade and do business will assist us as we move forward with a number of our large projects that will again enhance the province of Alberta. Certainly, the Alaska gas pipeline and Northern Gas have to come to mind as major initiatives that will play quite large in the future of Alberta and certainly in the prosperity and competitiveness in North America.

Mr. Speaker, another area where we have certainly something to be thankful for is Alberta's fibre resource. In northwestern Alberta the fibre resource is an extremely important part of our economic

diversification program. In very recent times the Alberta government, again through leadership, through the leadership of our Minister of Sustainable Resource Development, took steps to reallocate some of the fibre available in northwestern Alberta. This reallocation took place in a fair and open market, in an auction that returned a very fair return to the province of Alberta for the resource. It encourages industry to build and rationalize to meet market demands. Markets connected to fibre sales send positive signals to international traders and will assist us with resolutions to trade barriers.

With respect to Alberta being the best place to live, work, and visit, we need only look again at some of the forward-looking comments that are in the throne speech and connect them again to things that we have done in the province of Alberta. We are building and have built strong and safe communities in the province of Alberta. We have, Mr. Speaker, in front of us the Traffic Safety Act that helps to make Alberta's roads safer. We've invested in an organized crime unit to help make Alberta's communities safer. We have continued to invest through the centennial legacy program in libraries, galleries, performing arts centres, and places that certainly will in the future increase our quality of life in this province and the quality of life for young people that start out to build families and build a future for themselves in Alberta.

So, Mr. Speaker, rather than maligning what has been brought forward and presented in this Assembly with respect to the most recent throne speech, I find many positive things in the document. I look forward to working with my colleagues and working with the government to see to it that the initiatives that are laid out in this throne speech are committed to and come to fruition through this and successive governments.

Thank you, Mr. Speaker.

**The Deputy Speaker:** Questions? Comments?

I'll call on the hon. Member for Calgary-Mountain View, followed by the hon. Member for Lac La Biche-St. Paul.

**Mr. Hlady:** Thank you, Mr. Speaker. It certainly gives me great honour to stand up and speak to the throne speech this evening. As many of my colleagues have said before, I would like to speak of the Lieutenant Governor, a wonderful lady that we have serving us here in this province and that all Albertans have come to enjoy and appreciate so much. I do hope that maybe we're successful at seeing her be here for an extended period of time for the future. I think that would only serve us to a better quality.

Mr. Speaker, my constituency of Calgary-Mountain View going into this next election when the next writ is dropped will actually be the largest by population in the province with over 42,700 people plus. So I'm very excited and honoured that I'm able to represent the largest constituency by population here in the province going into the next election. I'm looking forward to that as we approach that.

There have been very many things inside the constituency that are exciting. We've had some wonderful growth at the Calgary Zoo, one of the top 10 zoos in North America. Destination Africa has changed the whole face of the Calgary Zoo, and the numbers of people that are going there are unbelievable. I was visiting it this weekend actually, Mr. Speaker, during the Family Day weekend, and the parking lots were packed. They were parking on the streets. It was lined up at every facility. We were fortunate because a chinook had also blown in. It really has turned the zoo into a year-round facility and a wonderful investment here.

8:50

I also have the fortune to have SAIT and the Jubilee Auditorium

and Alberta College of Art and Design, and as we know, there is some expansion going on at our Jubilee auditoriums here in the province as we approach the 100th anniversary of our province. It's exciting to see the growth there as well in my constituency.

As I move west with the new boundaries, I pick up Foothills hospital, which I'm excited to see become a part of my constituency as well, a centrepiece and a major trauma centre for southern Alberta. So lots of exciting and dynamic things happening in Calgary-Mountain View.

I'm going to start off this evening, Mr. Speaker, speaking to Alberta's continuing to lead in learning. I was a little surprised just to hear the comments from the Member for Edmonton-Gold Bar a little earlier in regard to saying that he felt that freezing tuition for 20 years would be a much more effective way than having our Bill 1, which is allowing Alberta's children of the future to have a chance and a better opportunity to be successful in their education. I mean, if he's asking for a freeze in tuition for 20 years, to follow on that he must be saying that he wants to freeze professors' and support workers' wages for 20 years as well, which just doesn't seem likely. If you're freezing tuition, you wouldn't have any more money to go up for our professors and our support people, so I don't think that that logic probably follows quite the way he was thinking.

Anyway, Mr. Speaker, I did want to speak to the education savings plan because I think that's a very, very exciting piece of legislation that we have. It's forward thinking; it's visioning for the future. Just to give an example: my wife and I have a four and a half year old and an 18 month old. When our eldest was about one year old, we started putting into an RESP, which is interesting. In three and a half years we're close to \$7,000 sitting in there for him. When I grew up, I didn't have an RESP. My parents couldn't afford to put me through school, and I had to have loans and so forth that I was actually still paying off when I was a member of the Legislature. I was fortunate enough to get through that, but it was a very, very tough thing. I think the cost of education will only go up in the future. So to have this starting to build already and to see that maybe by the time he's 18 or 20 when he decides, hopefully, to go into postsecondary, he will have the cost being covered for him is a very exciting thing.

More important, Mr. Speaker, I believe, is the fact that having this structure for an RESP for all children being born in the province is really going to help our lower income families. I really see it as an opportunity and a bridge to allow our lower income families to move past what maybe their parents and their grandparents never had, which was a postsecondary education which gave them the opportunity for higher earnings and a better life for their children as well. As I understand it, I think there are approximately 27 to 30 per cent of families that actually have an RESP today. Of this, in over 80 per cent of the families that have an RESP, the kids actually go on to postsecondary education. That's a very, very impressive number, and you know that they're going to have a much better chance of being successful in the future.

So as I say, I believe the real opportunity is for our lower income people to break that cycle because they're going to have a chance for a vision. By having even a small nest egg waiting for these children when they complete grade 12, I think this opportunity will certainly be picked up by a much larger number of the lower income people and give them that hope and a strong hopeful future.

The next piece I wanted to talk about a little bit tonight, Mr. Speaker, is unleashing innovation, which was another focus of our Speech from the Throne. The first part I want to talk about is Inno Centre. It's something that's been running for a couple of years now. It's a real key piece about innovation, about technology. It's about the future, and it's about really building on the strengths that we have — we have a highly educated workforce in this province, the

highest in North America – and taking the pieces and what we have to make it happen. Inno Centre, Innovation Centre, is being supported by organizations in this province, and it's becoming a cornerstone. It's a cornerstone in the sense that what it has is about an 80 to 90 per cent success rate in taking companies from noncommercial to a commercialization process, from a precommercialization process right through to being successful.

When you have technology companies being started up in other parts of the world, even down in San Jose, in the centre of where we see technology growing in California, the centrepiece in the world by far, a 20 per cent success rate on start-up companies is considered pretty good and very much an average. But the model of the Inno Centre, allowing for an 80 to 90 per cent success rate, means that you have such a better chance, a better place to be investing your money, a better place to be coming as workers and having a chance to continue to be successful. That's a big piece of unleashing the innovation in this province that we have been working on.

Another big piece, I believe, Mr. Speaker, is going to be around the petrochemical area. The oil and gas has been a raw product that we've been able to ship, and it has been a huge piece of allowing us to have the advantages that we do have in this province. The royalties we've been collecting off that have been fantastic. At the same time, we've been shipping a lot of the product as a raw product off to other parts of North America, and it hasn't been graded and brought up to full value and getting the value-added piece that we want to see.

Right now the Alberta Chamber of Resources is working on setting up a task force. That's been talked about; the industry is out there working on it, working together with the petrochemical industry and bringing this task force together. Hopefully, that will happen in the very near future. What they're looking at is a cornerstone of potentially one more refinery. Potentially an \$8 billion private-sector investment, this particular refinery would probably work maybe in the area of clean fuels, polypropylenes, and this piece along with what we already have here would allow for a big piece of the cornerstone of the value-added structures, products, manufacturing to be happening here in the future. It's very crucial for creating a cluster that we have this other cornerstone, and we certainly hope that we can see this sort of thing happen and that the private-sector money sees it as a good investment and a place to do this.

I want to give an example of what we have right now. Out of our natural gas comes the product of ethane. When you have the rich natural gas, you have more ethane. NOVA Chemicals takes and buys the ethane at four cents a pound. They take that four-cents-a-pound ethane, and they turn it into 40- to 70-cents-a-pound polyethylene and really upgrade the product. They have the largest polyethylene plant in the world right here in Alberta in Joffre, just outside Red Deer. They ship that polyethylene all over the world today to take it to other values. There are a few manufacturers here in the province but not very many.

One example of what we do have is a company in Calgary that buys the polyethylene and other products coming out, and they turn them into hockey sticks. So they're taking a pound of the ethylene that has gone from four cents to 40 to 70 cents, and they're turning it into hockey sticks at \$200 to \$300 for a hockey stick. That's where the value-added is. That's the advantage of what we have with the raw products that we have in this province, and the opportunities are there.

In Germany in the city of Marl it's a very interesting model. They did a very specialized set-up, and over a 1,200 hectare area they set up 70 companies, 70 companies hooked up in a couple of sections of land. In those 70 companies working together, there are 400

different products being produced. Very, very exciting. We have that opportunity, Mr. Speaker, to be doing that with the Fort Saskatchewan site that we have, working all the way from Fort McMurray down to Joffre and the pipelines and rights-of-way that we have created out to Lloydminster and the wonderful opportunities to bring all of that together, whether they're right together on the same site or slightly along the pipelines. Great opportunities to make it happen.

Today about 40 per cent of our product, our ethane, is going out as a waste product. I'm sure everyone has seen the big, black Procor cars when they're going south. Well, they go south full, and they go down to the Gulf coast or they go out to eastern Canada, down into southern Ontario as well. We don't have the ability to take those products and refine them and turn them into finished goods. They're taking them down there. What we have is a waste product, and they're turning them into finished goods. We don't have the catalyst size, the cluster size, that we need to be able to take those products and turn them into finished goods.

These are the opportunities, Mr. Speaker, that allow us to grow. I think that by working to really make some things happen around this task force, we will see some really big innovation things happening in the future and growth in this province, hopefully in the manufacturing sector.

Mr. Speaker, this sort of leads me into the global marketplace, which I think is really the most exciting piece as we see things happening, and you've seen it in the speech as well. With the approach of our 100th anniversary, certainly we are bursting with opportunities in this province for Albertans to be successful inside the province and taking the technology, the knowledge, the products out of the province and selling them world-wide. Albertans certainly know this, and they do like to compete globally. We see it happening. However, it's important to continue to push out the envelope, to be present in all corners of the globe. With 85 per cent of our trade with the U.S. it's extremely important to have a presence in Washington, which we've talked about as well, and the expansion for that. It's important that we have that presence there. We must continue to work on that. That is our one trade partner that we have some amazing success with today.

9:00

It's also important that we get to the rest of the world. We heard the minister of agriculture speak earlier today about 24 other countries that we're exporting our beef to today. Very, very exciting. But you have to be present in those countries to be able to talk to the people, to talk to the people who are going to buy the products, to help market them and make it happen. I think that when we're so dependent on one country, as we are with our neighbour, it is a risk by not being out into the rest of the world. So I think it's very important that we continue to expand and work hard at being everywhere as well as strengthening our relationship with the United States.

I was also very happy to hear Her Honour speak to creating grain marketing choice. I think the words she actually used were "aggressively pursuing" grain marketing choice. I believe our producers desperately want that. I think it's a wonderful thing, and I'm glad to see the minister of agriculture thumping and supporting me on that. I believe that's what we need to see happen.

I think a couple of facts are important to say again, and I'm sure you've heard me say it before. Pre-1945, 35 per cent of the value-added agricultural products due to wheat and barley in Canada were produced in Alberta – 35 per cent, pre-1945, pre-World War II. Along came the Canadian Wheat Board, and we saw a migration of

the value-added products moving to eastern Canada. We today have less than 5 per cent of the value-added agricultural products here in this province. One of the targets that the minister has set forward is a \$20 billion agricultural industry. To achieve those goals, we need to have the value-added agricultural industry here in this province, and we have to fight hard to make sure that that does happen. I think we will work hard on that this spring. I'm excited to see it, and I hope we can be successful in achieving that.

I'm also hopeful in the fact that we have a new federal minister of agriculture, Minister Speller. He has done some wonderful things in regard to agricultural expansion and wanting to see a test market happening. I hope that we have a chance to work closely with him to make that sort of thing happen here in the future.

Mr. Speaker, I think there are many, many pieces of this throne speech that we have gone through that have allowed us to see wonderful things happen: our seniors, which have been spoken of earlier tonight, funding for our police officers. Many, many other pieces are going to make an exciting time in discussion as we go through the spring session.

We're very, very fortunate to live in this province, and I'm honoured to have a chance to speak to the speech here this evening. It's going to be a great, exciting year, and I look forward to hearing more debate on this tonight.

Thank you very much.

**The Deputy Speaker:** Questions or comments?

The hon. Member for Lac La Biche-St. Paul.

**Mr. Danyluk:** Thank you very much, Mr. Speaker. It is indeed a pleasure and a great honour to rise today and respond to the Speech from the Throne delivered by the Lieutenant Governor, Her Honour the Honourable Lois Hole, to open the Fourth Session of the 25th Legislature. The Speech from the Throne is rooted in tradition. This speech is more than a simple message. It symbolizes the ideals and aspirations of Albertans. This speech is a road map for future years. It outlines the goals and directions for the upcoming session. It also holds the priorities of our government and focuses on addressing the challenges that Albertans face.

I am proud to stand before this Assembly representing my constituency of Lac La Biche-St. Paul and respond to this important message. It is evident that the government continues to look towards the future with high hopes. It has instilled the values that will benefit all Albertans. This government has worked diligently to foster goals, principles, and policies that all Albertans can be proud of and proud to call Alberta their home.

The government has taken a proactive approach in planning for the future not only for our children but for our grandchildren and great-grandchildren. We have witnessed this course of action over the last year, and it is evident from the Speech from the Throne that these intentions will continue. As Her Honour mentioned, the government's 20-year plan will identify key areas of success and set goals relative to these areas to secure the future of all Albertans.

Mr. Speaker, this forward-thinking is definitely not new to this government. Earlier this fiscal year the province created the stability fund to bring predictability and stability to Alberta's finances. This year the government has put \$2.5 billion into the fund, and it is forecast to be \$3.4 billion by March 31, 2004. As the Premier mentioned in his televised address, the fund is based on a simple principle that you don't spend every dollar you have. This fund is designed to stabilize provincial resource revenues in planning for the future of Albertans. It also allows for government flexibility in funding for immediate necessities.

During this past year it has permitted the province to respond to

natural disasters as well as providing compensation for high energy prices without having to take money away from core programs. It also has been there to help the province through the difficulties experienced in agriculture.

Mr. Speaker, I would like to spend a few moments commenting on Alberta's agriculture sector. As one of the major industries in Lac La Biche-St. Paul this subject is of great importance to my community. Agriculture is the backbone of this province and undoubtedly an important part of the economic future of Alberta. This industry has faced many challenges over the last year. Farmers from across the province have felt the effects of BSE. This has dramatically altered the entire Canadian cattle industry. I would like to stress that the province has responded to the crisis by offering support to producers while working diligently to restore confidence in our beef industry.

As Her Honour alluded to in the throne speech, the North American cattle market is highly integrated, and therefore we need to continue working on restoring international confidence in Alberta's beef. Rebuilding beef markets is at the forefront of that effort. The province will continue to work with industry leaders to make necessary changes for sustainability and vitalization of agriculture. Government and industry together need to take appropriate actions while developing solutions that reflect new market realities.

The province has responded with a variety of programs. Since last May this government has committed nearly \$400 million to BSE recovery and related programs, which is more than any other province in Canada. These efforts are designed to help ease some of the difficulties our producers are facing. Programs were developed by the Alberta government along with the Alberta cattle industry to assist livestock producers. I would like to stress that the programs were not designed to solely provide compensation. These programs focused on ensuring the system worked effectively and moved cattle throughout the entire process. Cattle movement from feedlots and packing houses was crucial and provided a positive impact back through the system for cow-calf producers and truckers.

I want to acknowledge that BSE is not the only area where Alberta farmers and ranchers have felt industry pressure and hardships. Drought was still a factor that impeded crop harvest, although the province experienced some increased moisture levels this past year. Moisture levels are significantly low, and revitalization of pastures and replenishment of groundwater levels is crucial. The government rose to address this impediment with programs and security measures for our farmers. Alberta producers have access to comprehensive risk management tools and support programs to respond to drought. These include emergency water pumping programs, crop insurance, the Canadian agriculture income stability program, and the farm disaster loans.

Grasshopper infestation has also devastated crop production over the last year. The grasshopper outbreak was widespread, affecting many areas of the province, but it was exceptionally evident in my constituency. The potential crop damage can be ravaging if left uncontrolled. The Alberta and federal governments have recognized this problem and provided more than \$20 million in producer assistance over the last two years.

Despite the many difficulties that farmers and ranchers are experiencing, we must remember that agriculture is an important industry to this province as well as the future of Alberta's economy. The government is working to facilitate agriculture industry growth, enhance rural sustainability, and provide safety nets for producers. The government will continue to operate alongside industry to develop creative and responsive solutions to challenges we face in the future.

9:10

Mr. Speaker, I would like to spend a few moments addressing tourism, which I believe is another important industry in the province. The Lac La Biche-St. Paul constituency is the home of Alberta's Lakeland region. This area offers much diversity, including boreal mixed forest; clean, clear lakes; sandy beaches; marshy wetlands; and prairie landscapes. The tourism sector holds great potential for the future of this province, and Her Honour brought attention to it in the throne speech. Albertans need to look ahead to future opportunities that can aid in securing prosperity.

Many tourist activities exist, and opportunities are continually being developed. However, I believe we must further encourage this development and expand the scope of provincial tourism. Alberta's tourism industry derives its strength not only from its magnificent scenery, but it does so in conjunction with its service excellence and its strong private-sector partnerships. During 2003 Alberta's tourism industry generated over \$5.3 billion in annual revenue. Revenue estimates are expected to continue growing over the years. Mr. Speaker, I feel tourism efforts should be promoted for all areas of the province. Great potential resides in other locations as well as the Rocky Mountains, Alberta's splendor.

Alberta is very fortunate that tourism is supported by provincial, national, and international visitors. The province must continue to invest in our parks and campsites to continue attracting national and international travellers. This is a vital part of our future. I'm pleased that the Premier mentioned during the televised address the importance of our provincial parks and protected areas. Twenty-one million dollars will be invested in our parks in order to upgrade facilities. This money will be allocated over the next three years. I truly support this initiative to revitalize provincial parks. They are an important attraction to generate revenue in this province. We must also ensure that there is a consistent standard across all parks and that we maintain the infrastructure in order to continue providing premium service in Alberta tourism.

Mr. Speaker, I'm also pleased that the government will stay dedicated to spending in priority areas such as health care and education. It is crucial to promote sustainability conditions and equitable health care for rural communities. We need to strike a balance between providing essential health care services in rural communities while remaining cost-effective. Her Honour in the Speech from the Throne referred to increasing access through providing greater choice of how and where patients can receive the appropriate care. I welcome the province's increased support for community-based care options. It is imperative to keep important health services in our communities. We need to concentrate on bridging health care gaps between urban and rural settings in order to increase access for rural Albertans. Health care providers and the delivery of medical services must remain effective and be provided in an efficient manner for all communities regardless of their location.

Mr. Speaker, I would also like to mention that over the last year Albertans saw improved access to health care services. A key strategy of this government is to improve the overall health and wellness of Albertans. Health spending in 2003-04 was increased to \$7.35 billion, which is up 7.4 per cent from the previous year. As well, the new electronic health record offers health care providers access to patients' medical information, which translates into optimal care decisions for Alberta patients.

Mr. Speaker, this government remains committed to seniors. It recognizes the valuable contributions these individuals make to communities across the province through their work in volunteerism. Seniors donate their time and services to enrich and enhance our

neighbourhoods. The Alberta government is dedicated to providing support and services needed to maintain their independence and well-being. I believe this is crucial. As Her Honour mentioned in the Speech from the Throne, the government will be creating further co-ordination in its response to the changing needs of Alberta seniors. We must ensure that as Alberta's seniors population grows, we have the services as well as program assistance to provide for our seniors.

As all Albertans can tell, the government will be dealing with a lot of important issues over the course of the next year. In closing, Mr. Speaker, I would like to thank you for the opportunity to respond to the Speech from the Throne. I am pleased to support this vision as it represents our government's sound principles, leadership, capabilities of forward thinking, goals for continued prosperity, and commitments made to all Albertans.

Thank you very much, Mr. Speaker.

**The Deputy Speaker:** Questions? Comments?

The hon. Member for Whitecourt-St. Anne.

**Mr. VanderBurg:** Thank you, Mr. Speaker. It's a pleasure to respond to Her Honour the Hon. Lois Hole's Speech from the Throne. Her Honour talked about the four pillars in Alberta's 20-year plan to help develop Alberta's success. Today I would like to relate these pillars to the issues affecting the people living in Whitecourt-St. Anne.

The important issues in the Whitecourt-St. Anne constituency that affect each and every one of my communities are related to agriculture. Alberta's agriculture industries continue to battle major issues. Drought continued to destroy crops in 2003, and of course the presence of BSE in northern Alberta crippled Alberta's multimillion dollar beef industry. Hundreds of jobs have been lost, and many farmers are left with few options. The Alberta government needs to continue to support this industry focused on ways to help our primary producers.

There's another threat to Alberta's economic prosperity that's also important in Whitecourt-St. Anne, and that's the ongoing softwood lumber dispute. I hope the opening of the Alberta office in Washington, D.C., can help make progress with Alberta's largest trading partner. I also hope that the Alberta government can work with the federal government and other provinces to find a solution to these major trade disputes.

One of the factors that makes Alberta a better place to live, work, and visit is its tourism industry. People from around the world enjoy Alberta's wildlife and environment. However, in Whitecourt-St. Anne illegal hunting and fishing continues to threaten the stability of our natural resources. Conservation officers in my area have told me that more resources would help to find and catch more poachers. This session, Mr. Speaker, I'll be sponsoring a motion that asks the government to levy a surcharge onto existing fines for fish and wildlife offences. Under the Wildlife Act or the Fisheries (Alberta) Act surcharges attached to the fines are collected and dedicated to the victims of crime fund. I think we should expand the spirit of the Alberta victims of crime fund to all offences to the Alberta fish and wildlife resources by dedicating funds to the conservation fund. Amending existing legislation to create a conservation fund would help solidify additional revenue for provincial conservation and enforcement programs.

Mr. Speaker, a safe and well-maintained transportation system is important to help Albertans work and live. Transportation is an important factor assisting the growth of Alberta's rural economy. Through good planning by the Department of Transportation the twinning of highway 43 is progressing very well. I hope to see this

project completed through Whitecourt-Ste. Anne in the near future, but as well the department needs to continue to work closely with my municipalities to meet their ongoing needs and pressures.

9:20

A special note I have now is to the Minister of Infrastructure. You know, things are going well in the Department of Transportation, but I'm not quite as optimistic about the infrastructure projects. Her Honour talked about the changes and improvements to Alberta's education system. I worry about some areas in my constituency that will struggle to meet leading in learning goals. For example, some of the schools operating in my constituency were built in the 1920s and have been scheduled for replacement for some time. New school construction has been delayed due to other provincial priorities. I can understand that immediate issues keep arising. At the same time, students in my area are trying to learn while chilling winter winds blow through the cracks in the walls. I've even had the opportunity to tour the Minister of Infrastructure through Whitecourt-Ste. Anne to have a first-hand look at these buildings. I'm hopeful, given that the minister has seen the light – that's through the walls, I mean – that he will find a way to address the situation. I wonder what would happen if a school built before the Second World War and in poor condition were used in our more modern, newer communities. How long would it take before a new school would become a priority in these centres? I hope the government's commitment to infrastructure improvements will help address these old schools.

On the learning front a concern that I hear directly from the teaching community deals with their benefit plan, and I think many MLAs have heard this. One way to help teachers is to revisit the unfunded liability in the teachers' pension. Alberta is blessed to have young, energetic teachers entering our public system. These teachers will be forced to carry a financial burden created before many of them were in school. According to the current repayment schedule the unfunded liability will not be paid down until 2060. Mr. Speaker, this means that the burden will be on the shoulders of today's teachers for long after they retire. It's important for these teachers to keep as many of the dollars they earn as possible. I proposed a motion for this session that will raise this issue.

Another important pillar to the Whitecourt-Ste. Anne area is competing in the global marketplace. I agree with Her Honour that we need to continue to work hard to secure long-term prosperity for the province. Some sectors of Alberta's economy will need our help. This time I turn to the Minister of Revenue for an important message. I share in Her Honour's optimism for the future of Alberta. I also agree with the urgency to find new ways to generate capital. Right now Alberta is only attracting 3 per cent of Canada's venture capital. Mr. Speaker, we have to do better, and I'm sure with the help of the Minister of Revenue we can. I would think we should look closely at ideas such as flow-through shares to encourage more venture capital into Alberta.

Mr. Speaker, most members are aware of my support for the mining industry. Flow-through shares would encourage junior mining companies to look at northern Alberta's large kimberlite deposits. These deposits are an indication of diamonds. I think this government should consider flow-through shares as a way to raise the capital needed to diversify and expand the northern Alberta economy.

Venture capital is also important for two other growing industries in Alberta: nanotechnology and new agriculture initiatives. The potential for nanotechnology is incredible. Some believe that it could be the next Industrial Revolution, and I'm proud that Alberta began the centre for nanotechnology in 2001. I think more needs to

be done to ensure that the knowledge discovered in Alberta results in profits and economic success for Albertans. We also need to ensure that the scientists we train continue to work and succeed in our province.

As I mentioned before, the agriculture industry has been hit hard in recent years, but the resiliency of this industry is something that must be admired. For example, proposals for slaughterhouses owned and operated by Alberta's producers are on the table now. Again more work and more investment must occur to move these ideas forward. Why not take a few per cent of our heritage trust fund or introduce flow-through shares? This could help the industry raise the capital that's needed today. Some may say that venture capital is risky business because the financial benefits aren't guaranteed. Well, the Premier tells us to be prepared to think differently. There's a great deal of energy and different thinking in this Assembly and throughout our great province. We should not be afraid to explore these new ideas.

Once again, Mr. Speaker, it was a pleasure to see Her Honour speak yesterday afternoon, and it's been a pleasure to serve the residents of the Whitecourt-Ste. Anne constituency. Thank you.

**The Deputy Speaker:** Comments or questions?

The hon. Member for Edmonton-Rutherford.

**Mr. McClelland:** Thank you, Mr. Speaker. May I first recognize the enormous contributions to our province by our Lieutenant Governor, the Hon. Lois Hole. Her grace, her carriage, and her courage embody the highest ideals of service and of the Crown in our parliamentary tradition.

In these dark days when elected public service is under a cloud as a result of a culture of entitlement, as a result of a betrayal of trust by some who bring discredit to all members in all Legislatures if only by association, it is most important that our government and our Legislature reflect society's highest ideals of public service. In my experience the vast majority of persons in public life are persons of the highest character, on both sides of the aisle. We should be careful not to demean public life by action or by innuendo. Citizens must be inspired and confident in their leadership. I'm proud to be part of a government committed to honesty, transparency, and sound principles, a government that is, above all, of the people. There is no light between Albertans and their provincial government.

Tonight I am honoured to speak on behalf of the residents of Edmonton-Rutherford in reply to the Speech from the Throne opening the Fourth Session of the 25th Legislature. Edmonton-Rutherford is an established community with a wide demographic mix of income, age, and ethnicity, a constituency of vibrant community leagues where citizens come together to create a better future and life for all. Like other constituencies Edmonton-Rutherford is not without challenges. There are individuals and families living on the edge, living without great confidence in their future, some with little hope. We have not and will not allow those Albertans to be forgotten or left behind. It is specifically to those Albertans, individuals at the margins, that this Speech from the Throne offers not just a promise but a blueprint of future possibilities and opportunities.

How is this to be achieved? It starts with vision. The Lieutenant Governor on behalf of the government of Alberta outlined a 20-year strategic plan designed to ensure that Alberta's economy will have balance and strength and stability even as our natural resource revenues decline. The vision is based on four pillars: innovation, learning, competitive ability, and quality of life.

Innovation. We need to ensure that we are a value-added economy. We must turn our natural resources into value-added products, thereby enhancing not only the value of the resource but

also the value of the labour and profit in the resource.

**Learning.** A knowledge-based economy requires both a positive attitude towards lifelong learning and the necessary investments in the bricks and mortar of learning. Our ongoing investment in learning is reinforced and confirmed. This Speech from the Throne clearly confirms our government's commitment to education: kindergarten to grade 12, postsecondary, and lifelong learning including apprenticeship training. Specifically, it recognizes the contribution of educators and of the teaching profession to our society. It is fair to say that in recent years many teachers felt undervalued. This Speech from the Throne and the subsequent budget following the Learning Commission firmly establish this government's commitment to education, to students, and, indeed, to the teaching profession.

**Competitive ability.** In a global economy Alberta requires a global reach and the ability to communicate directly with our customers. The throne speech commits us to that end and to continue to work with the federal government and our provincial partners to ensure that we are competitive.

**Quality of life, making Alberta the best place to live, work, and play.** A government sensitive and responsible, responsive to those in need; a government committed to using tax dollars wisely, carefully, as a trust responsibility; a government sensitive to and responsive to seniors, including seniors living on a fixed income, seniors apprehensive as they witness their cost of living rising faster than their income; a government capable of responding to citizens generally ambivalent about health care until personally involved. Then health care becomes priority number one and must be responded to immediately. No matter how much money is spent, those citizens expect everything at that time, no questions asked. We must ensure our ability to fund health care according to our expectations, and that will require honest debate, thought, and resolution. Let us not demonize those who challenge the status quo. We will not arrive at a responsive, sustainable health care system without serious, honest debate.

**9:30**

A government sensitive to and investing in art and culture, the beating heart of our province. We don't live on bread alone. Our artistic and cultural community is a critical economic driver of our economy and reflects our values. The brightest and best of the world, encouraged to make Alberta their home, will base their decision not only on economic considerations but also on the quality of schools, the safety of streets and community, quality of health care, and the beauty and safety of our environment.

This, then, is the hope of the future, the road map of opportunity for those yet unborn, a vision of the future to inspire confidence and hope in all Albertans. Acquisition of knowledge leads to the application of knowledge. It is the application of knowledge that creates wealth and opportunity. Our future is based on a foundation of opportunity and education for every Albertan.

Mr. Speaker, there's one more thing that I'd like to touch on in the throne speech debate, and that is Bill 1, the Alberta Centennial Education Savings Plan Act, a plan to encourage families to prepare for and to plan for postsecondary education for Alberta's children. Not only does the plan make a positive financial statement; it also suggests to families the desirability of postsecondary education in preparation for life. As we know, education is in large part the ladder of opportunity.

Surely, all Albertans will applaud this throne speech and the government for its vision, its action, and its promise for the future.

Mr. Speaker, may I move that debate do now adjourn.

[Motion to adjourn debate carried]

head:

## Government Bills and Orders Second Reading

### Bill 1

#### Alberta Centennial Education Savings Plan Act

**The Deputy Speaker:** The hon. Deputy Government House Leader on behalf of the hon. Premier.

**Mr. Stevens:** Thanks very much, Mr. Speaker. On behalf of the Premier it's my pleasure to move for second reading Bill 1, the Alberta Centennial Education Savings Plan Act.

**The Deputy Speaker:** The hon. Member for Calgary-Egmont.

**Mr. Herard:** Thank you, Mr. Speaker. I think I beat them to their feet probably. I'm honoured to speak at second reading to Bill 1 on behalf of the Premier. I want to thank the hon. Deputy Government House Leader for moving second reading on this bill.

Speaking to the principles of the bill, I want to begin with some of the principles on how this bill first came about. I think you've heard me talk in this Chamber very proudly about my grandson Matthew. Really, about two years ago my wife and I were blessed with the birth of Matthew, our first grandchild. [some applause] Thank you. After discussing what we could do to celebrate this new life, we decided to start an RESP for his future postsecondary needs. That seemed natural enough because 35 years earlier we had done the same for our own sons, and the funds were very helpful in their postsecondary education despite the fact that RESPs were not nearly as flexible then as they are today. We discussed how precious this young life was and how fortunate it was that he was born in Alberta and had parents or, in this case, grandparents with the means to start saving early for his future advanced education.

The discussion turned to the financial disadvantage that those children without a savings plan faced when the time came for funding a postsecondary program of studies and, in particular, the difficulties that some of our rural children face when having to move away from home to the big cities where some of the postsecondary institutions are. So I remember thinking out loud about how great it would be if all newborn children in Alberta had an opportunity to have an education savings plan. As she has done so often in the past, my good wife, Rose, encouraged me to look into it, and thanks to our Premier, the Learning minister, and many others who offered encouragement and good counsel, here we are with the opportunity to make it a reality.

I want to also thank the hon. Member for Calgary-Lougheed, who successfully passed a motion in this House in 2003 called Motion 506 that urged government to look for new ways to help students finance their education. That motion put many of the issues on the table and, in my view, paved the way for the bill that we have before us today.

I began looking into the possibilities of how the province could contribute to starting an RESP for every newborn and how much such an investment program would cost and what benefits would accrue over time. I found that on average 36,000 children are born each year in Alberta and that the average cost of an RESP unit was about \$500. That didn't seem like a very large investment considering the benefits that were becoming more apparent as the work progressed. One of the most significant benefits was that on average 80 per cent of the children who have RESPs go on to postsecondary education. Now, that's a very significant number, Mr. Speaker, especially when you realize that less than 50 per cent of students who graduate from high school in Canada go on to postsecondary

learning. That information was very useful and was provided by the RESP dealers association, which has more than 40 years of statistics on plan holders and their success.

Now, Mr. Speaker, Alberta has one of the most highly educated populations, but what an opportunity to increase the number of high school students who go on to postsecondary education immediately after graduation. What an opportunity to build on the knowledge age, where knowledge can become the fifth pillar of our economy. What an opportunity to lead the country once again through a postsecondary brain gain that produces a vibrant economy, a healthier population, and a quality of life that is better than the one we currently experience; in other words, a brighter future for our children and grandchildren in a better educated society.

So let's look at some of the benefits of doing such a plan. It is estimated that increasing the number of postsecondary certificates, degrees, and licences by 20 per cent has potentially about a \$3 billion impact on our economy. That's in 2003 dollars. That's in higher wages and salaries when compared to earnings of those who don't graduate or don't go on to postsecondary education. What will that be worth in 2023 dollars? Perhaps \$6 billion, perhaps \$9 billion. Who knows for sure? But it is very, very significant indeed.

A financial analysis of several scenarios determined what could be available to Alberta students in 2023 as a result of the savings plan. The worst-case scenario that we looked at was: what if Albertans decided not to participate at all? There would still be about \$800 million available in 2023 due to the magic of compound interest and the federal government's RESP participation at 20 per cent. This would produce approximately \$2,588 for every child enrolled in the program available for their postsecondary education. That's if everybody did nothing.

9:40

The second scenario is if Albertans contributed to the level of the current national average for RESPs, which, I'm told, is about \$500 per year. The amount available for Alberta students to pursue their education in 2023 would be between \$6 billion and \$8 billion, depending on the return on investment and assuming an 80 per cent participation rate in the plan. Now, those are huge benefits, Mr. Speaker, and that would contribute approximately \$21,291 per child enrolled in the plan for their postsecondary education.

The final scenario that we looked at: what if Albertans participated at the level that they did in 2002? In 2002, Mr. Speaker, the last year that figures were available, Albertans contributed an average of \$1,489 per year to RESP plans, but only 17 per cent of Albertans with children in school had a plan. So what would happen if 80 per cent of Albertans with children in school had a plan and contributed to that level? The amount available in that case would be between \$16 billion and \$20 billion. Now, even in Canadian dollars that's a huge return on investment and would make \$59,340 per child available for their postsecondary education.

Some of the other benefits of passing this legislation. First, we believe it will enhance awareness of the benefits of postsecondary education among students and parents. The plan sends a message to Albertans that postsecondary education is valued and is worth saving for very early in their children's lives. It will increase the number of Albertans that participate in postsecondary education and, therefore, in a better economy. The plan supports the principle that the cost of postsecondary education is a shared responsibility between students, their families, and government. It encourages Alberta parents to plan and save for their children's education from the earliest opportunity. Over time it will establish a culture of saving early and often for advanced education for future generations.

Mr. Speaker, the centennial education savings plan will be

consistent with current federal regulations with respect to RESPs and the Canada education savings grant plan, so we're not doing anything any differently than what already exists. The plan will contribute an initial \$500 to a registered education savings plan for every child born or adopted into an Alberta family in 2005 and subsequent years. The government will provide an additional contribution at ages eight, 11, and 14, with a matching requirement. If the beneficiary does not use the money on postsecondary studies at an eligible institution, the trustee will return any grant money to the province of Alberta. This is consistent with the rules under the Canada education savings grant and currently what happens under the federal plan.

Other provisions and regulations governing eligible investments and fees are also consistent with current RESPs and the Canada education savings grant. The federal government has agreed to administer this plan with a single application form and at very, very little or no cost to the province.

I want to thank the Minister of Learning for his support on this bill as well as his excellent staff, who became enthusiastic proponents and did a wonderful job of dealing with the many research requests. The successful negotiations with the federal government are a tribute to their professionalism and diligence. I want to thank the Treasury people who worked out all of the financial analysis, and I would urge everyone to vote in favour of this bill.

Thank you.

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

**Mr. Snelgrove:** Thank you, Mr. Speaker. Well, I guess it's not a real treat to stand in that I don't support the bill, and it probably doesn't come as a great surprise to most people in this House.

I agree with the preamble. I think everyone in the House would agree with that, that we need to recognize the benefit of postsecondary education. I think that there's no question that the government should be working to raise awareness for the benefits of postsecondary education among children and their parents, and certainly we should encourage parents to plan and save for their children and their postsecondary education. We should encourage people to plan for their education, for their retirement, for their old age, for their business hopes and dreams. It's certainly no secret that planning short term and long term is one of the keys to success. We should encourage them to do that, but we shouldn't do it for them.

I'm going to only speak to some of the principles that I feel are involved in the second stage of this bill, and one of them that I have a hard time with is the principle of fairness and the fairness of application. I'm going to talk about yesterday's students, students that aren't going to be born in the centennial year. They didn't have any choice of where, when, or how they were born. They're here. They have the same aspirations as centennial babies will have and as babies for many years to come. They'll have the same expenses for schools to live with, and I just don't think that you can say: well, all of a sudden, now we're going to put this money away for you, but because you were born yesterday, too bad. I don't think that's fair, and I don't think we should want to go there.

Like the Member for Whitecourt-Ste. Anne said, we've got kids going to schools that are in excess of 70 years old, and in fact the wind does blow in and these are deplorable. To go back to them and say, "We don't have the money; we haven't had the money for the 10 years that your school has been scheduled to be rebuilt; we haven't had that money and we don't have it now, but we have \$20 million to put in the bank for something that might happen 20 years

down the road," I can't do. I can't look the children and I can't look

the parents in the eye and say: that's a priority with us, to let you stay there. So I have no problem saying that if everything were perfect in education now and all our bills were paid, then you can look at how we reimburse Albertans with their own money.

I also have a problem when we say that this has to go to the students who go to universities or colleges, full-time school. While they certainly do have an advantage in life and that's not in question, we also need the plumbers, the electricians. We need the policemen. We need the firemen. We need the farmers who don't go to college or school, who go to the school of hard knocks many times. We need everybody to be treated fairly, and it is their money we're dealing with here. It's not ours; it's theirs. So if we have this extra money, give it to them. Give it to every Albertan, and let them decide where their priorities are for their money. It's not our money.

There are many other reasons that I think we'll get to in committee about priorities that we have as Albertans, about whether this is what Albertans want, but I have to finish with going back to the principles that I and most people in this room signed on to when we ran for this party in 2001. I agreed with these principles then, and I do now.

The Alberta Progressive Conservatives believe in the following principles. This is from our web site, so I didn't get to make this part up.

We recognize that lifelong learning is central to a successful society. It is important that learning opportunities be accessible, affordable, and sustainable for all Albertans. We believe in enabling and encouraging Albertans to contribute to their fullest potential.

It doesn't say that we're going to take their money and put it in the bank for them. It says that we're going to provide schools and universities and the best system we can, and we do that. As it goes on, it says:

We respect the rights of the individual and are mindful of the responsibilities that accompany those rights. By accepting responsibility and acting on their own initiative, Albertans will achieve their full potential as contributors to prosperous communities.

That's what our principles as a party say. I believe we're falling away from that, and I don't agree with it. I'm certainly thankful that I'm in a party that allows us to disagree, and disagree I do.

Mr. Speaker, thank you.

9:50

**The Deputy Speaker:** The hon. Minister of Learning.

**Dr. Oberg:** Thank you very much, Mr. Speaker. I rise to speak in favour of Bill 1, and I find myself in a little bit of an awkward situation in speaking against one of my colleagues who has just spoken about Bill 1, which is a government bill sponsored by the Premier.

Bill 1 is the type of bill that allows for future thinking. It's the type of bill that I ran for this job for. It's the type of bill that I believe all MLAs should support. It's the type of bill that plans for 18, 20 years down the road. It is not the type of bill that fixes potholes in the roads but instead looks and sees where that road is going and heads towards that destination.

What this does is that it allows kids to save for their education where their parents, for example, may or may not have saved for it. It opens up an account so that a \$10 or \$20 gift for a birthday can be deposited in that RESP account, Mr. Speaker, and that money will indeed grow, as the hon. Member for Calgary-Egmont has alluded to. The potential that this has to grow for students to be able to go to postsecondary education is absolutely unbelievable. An invest-

ment of around \$20 million per year has the potential to grow into around \$6 billion.

What is even better about this bill is that if the \$500 and subsequent \$100 contributions are not utilized by the student to go to postsecondary education, they are clawed back and they go back into general revenue. They go back into the place where they can be used for health care or fixing roads or fixing potholes, things like that. Therefore, again I'll state that this bill is incredibly important when it comes to many for the education of their students.

Mr. Speaker, this does allow for apprentices to utilize this bill for postsecondary education: the plumbers, the electricians, anyone who goes to postsecondary education for a diploma.

Take a look at the employment rates for people who go on to postsecondary education, for those who finish high school, and for those who do not finish high school. Mr. Speaker, respectively, for those who did not finish high school, the unemployment rate is around 10 to 12 per cent. For those who finished high school with no postsecondary education, you're looking at a 7 to 8 per cent range, and for those who have a postsecondary diploma or postsecondary degree, you're all of a sudden down to 2 to 3 per cent on the unemployment rate. So there is little doubt – little doubt – that postsecondary education is extremely important, and there is little doubt that what we are doing here is planning for 18 to 20 years down the road when parents will be able to plan for their children's future.

Mr. Speaker, the \$500 and subsequent \$100 amounts are not going to be enough to pay for their tuition down the road. What this does is it allows the parents to put money into their savings plan to allow them to go to postsecondary education 18 to 20 years down the road. I would have loved for my parents to have started an RESP for me. I think it would have been great to enable myself to go to postsecondary education, but they did not. I know people now who have RESPs who have \$8,000 and \$10,000 and \$15,000 in these RESPs, and they will enable those kids to go to university.

The other thing that must be remembered, Mr. Speaker, is that these are matched by a 20 per cent contribution from the federal government. That is a much better rate of return than anything else you are going to get, and it's because it is an RESP. I feel so strongly about this that I will actually give a federal Liberal credit for this. It was Prime Minister Paul Martin who brought this plan in many years ago, and I will say that it was the right thing to do at that time, and it is still the right thing to do.

This bill certainly builds on that. It allows every child born in Alberta from 2005 onwards to have an RESP started, to kick it off with \$500. Mr. Speaker, could that \$20 million be used to build half an overpass? Yeah, it probably could, but I think that our children's future, our children's postsecondary education future is much more significant and much more important than half an overpass.

With that, I would move to adjourn debate, Mr. Speaker.

[Motion to adjourn debate carried]

**The Deputy Speaker:** The hon. Deputy Government House Leader.

**Mr. Stevens:** Thanks, Mr. Speaker. I move that we adjourn the Assembly until tomorrow afternoon at 1:30.

[Motion carried; at 9:59 p.m. the Assembly adjourned to Thursday at 1:30 p.m.]

