

## Legislative Assembly of Alberta

Title: **Wednesday, February 25, 2004** 1:30 p.m.  
 Date: 2004/02/25  
 [The Speaker in the chair]

head: **Prayers**

**The Speaker:** Good afternoon, and welcome.

Let us pray. Let us keep ever mindful of the special and unique opportunity we have to work for our constituents and our province, and in that work let us find strength and wisdom. Amen.

Please be seated.

head: **Introduction of Visitors**

**Mr. Jonson:** Mr. Speaker, I am pleased to be able to introduce to you and through you to members of the Assembly His Excellency Otto Ditz, ambassador of the Republic of Austria. Mr. Ditz is accompanied by Mr. Nikolaus Demiantschuk, our consul general from Calgary. Over the past five years Alberta's exports to Austria have averaged almost \$21 million per year. In the same period of time we have imported approximately \$76 million worth of products from Austria. However, our relationship with Austria goes far beyond strictly trade. The Austrian government has played an important role in establishing the Wirth Institute for Austrian and Central European Studies. This institute focuses on social sciences, the humanities, and the arts, and links postsecondary institutions in Austria with those here in Alberta.

Mr. Speaker, this is the ambassador's first visit to Alberta, and I would ask that our honoured guests please rise and receive the traditional warm welcome of this Assembly.

head: **Introduction of Guests**

**The Speaker:** The hon. the Premier.

**Mr. Klein:** Thank you, Mr. Speaker. It's my honour to introduce to you and through you to Members of the Legislative Assembly four prominent members of Alberta's business community whom I had the pleasure of having lunch with today: Robert Rosen of City Lumber; Dave Snyder of Sterling Cranes; Dr. Eric Newell, retired chair and CEO of Syncrude Canada Ltd.; and Dwayne Hunka of Waiward Steel Fabricators Ltd.

Our lunch was an auction item at the Canadian Diabetes Association's fifth annual Flame of Hope golf tournament, and it was a truly worthy cause. Over 100,000 Albertans currently have diabetes, and it affects thousands more of their friends and family. I was pleased to support such an important cause, and it was more than a pleasure to dine with these gentlemen, although we dined on sandwiches. I'd like to thank each of these men for their generosity and for their excellent company and their spirited conversation today and ask that they rise and receive the traditional warm welcome of this Assembly.

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

**Mr. McClelland:** Thank you very much, Mr. Speaker. It is my great privilege to ask Blake Robert, William McBeath, and Dennis Laurie to please stand. As these three gentlemen are recognized, the Liberal and the New Democrat colleagues will take heart because this represents the past, the present, and the future of the presidents of the PC Youth in Alberta. It's our great pleasure to welcome them here today and to thank them for their efforts on behalf of all Albertans.

Thank you very much, Mr. Speaker.

**The Speaker:** The hon. Member for Clover Bar-Fort Saskatchewan.

**Mr. Louheed:** Thank you, Mr. Speaker. I am pleased to rise today and introduce to you and to the members assembled 35 people from Fort Saskatchewan: the students from Our Lady of the Angels school represented here and their teacher, Ms Shauna Sabourin, assistant Mrs. Carolina Mayner, and parents Troy and Teresa Gates. I'd ask them to please rise and receive the traditional warm welcome of the Assembly.

**The Speaker:** The hon. Member for Edmonton-Manning.

**Mr. Vandermeer:** Thank you, Mr. Speaker. It's my honour to introduce to you and through you to members of this Assembly eight members of the Emmanuel Home along with their group leader. The Emmanuel Home is a great place to live in your retirement years, and I know that full well because my wife's opa lived there for around 28 years. Currently, they are planning for a major expansion to their seniors' complex and have already fund-raised the amount of \$2.4 million. Congratulations and best wishes with that project. I'd ask that my guests rise as I mention their names: Mrs. Ann Helder, Mrs. Doris Nelson, Mrs. Gerrie Vandenberg, Mr. Ulbe Sandstra, Mrs. Dortha Roess, Mr. Henry Noppers, Rev. Jacob Binnema, Mrs. Hilda Binnema. They are also accompanied by their group leader, Denise DeVries. I'd ask that we give them the traditional warm welcome of this Assembly.

**The Speaker:** The hon. Member for Drayton Valley-Calmor.

**Rev. Abbott:** Thank you, Mr. Speaker. It's my pleasure to rise today to introduce to you and through you five constituents of mine from the Yeoford area. They are Maureen and Bob Webster, and with them are three lovely young ladies: Natasha, Danielle, and Esther Schmale. They have toured the Legislature today. I took them out for lunch, and now they're going to enjoy question period. I'd ask them to rise and receive the warm welcome of the Assembly.

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

**Dr. Pannu:** Thank you very much, Mr. Speaker. I've got two introductions. For the first introduction it's my pleasure to introduce to you and through you to members of this Assembly 24 visitors from Garneau school in my constituency. They are accompanied by their teacher, Mr. Brad Glenn, and parents Ms Beverly Wilson and Mrs. Brenda Richardson. Garneau school is a landmark in the history of teacher education in this province. The Faculty of Education at the University of Alberta started its work from the building in which this school is located. I think my guests are perhaps seated in the members' gallery. Assuming that they are around, I'll ask them to rise and receive the warm welcome of the Assembly.

Thank you, Mr. Speaker. It's my pleasure to introduce to you and through you to members of the Assembly Ms Jette Badre. Ms Badre is the chair of Parents of Kids Experiencing Diabetes, a member of the Mill Woods South East Community Health Council, and a member of the advisory committee for the Edmonton student health initiative partnership. As a parent and an engaged citizen she is here today to watch the proceedings of the Assembly. She is seated in the public gallery, and I'll ask her to now rise and receive the warm welcome of the Assembly.

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

**Mr. Mason:** Thank you very much, Mr. Speaker. I'm pleased to rise and introduce to you and through you a number of individuals who are seated in the public gallery. They are some of the men and women who are members of the Communications, Energy and Paperworkers Union local 1900. They are Dave Malka, Terry Dekker, Adrian Pearce, Peter Hill, Shane Blyan, Dave Valentine, Darren Scott, Phil DesRoches, Chris Peterson. I would ask them to rise and receive the warm welcome of this Assembly.

head: **Oral Question Period**

**The Speaker:** Hon. members, today we have 17 members who have identified their desire to participate, so may I make my plea once again: brevity in questions, brevity in answers.

We'll proceed with the first Official Opposition main question from the hon. Member for Edmonton-Gold Bar.

### **Electricity Deregulation**

**Mr. MacDonald:** Thank you, Mr. Speaker. Yesterday the Liberal opposition released a report that the government is too embarrassed to release itself. The report of the Premier's Advisory Council on Electricity is so sugar-coated. The Consumers' Association of Canada in Alberta withdrew its unqualified support for the report. The government's own MLAs on the committee continue to express doubts about whether electricity deregulation is working for consumers, and even some distinguished Albertans are continuing now to speak out about the reasons why the government deregulated the electricity marketplace in the first case. Now, my first question is to the Premier. Why is the government telling Albertans that we needed more generation when electricity expert John Davies said, and I quote, that there was ample electricity before deregulation?

1:40

**Mr. Klein:** Mr. Speaker, John Davies, I guess, is entitled to his opinion, but according to all the experts at that time and, indeed, the evidence that has come to light lately, there was a shortage of electricity in this province, and it was due to deregulation that more electricity generation has been brought on stream.

**Mr. MacDonald:** Mr. Speaker, to the Premier: why is the Premier telling Albertans that we are short of power when Herman Schwenk, the past president of the Alberta rural electrification association, said, and I quote, that the only reason we were running short of generation by 1997-98 was because the government decided to deregulate the industry?

**Mr. Klein:** Mr. Speaker, again, the gentleman, of course, is entitled to his opinion, and he expressed an opinion. The simple fact is that this province was facing a shortage of power, and the government was not about to go into the generating business. We had to make it possible and feasible for the private sector to bring on more generation. That, indeed, has happened to the point now where we have, I believe, about 3,000 megawatts of power that is deemed to be surplus to our needs, and that has come about due to deregulation.

**Mr. MacDonald:** Again, Mr. Speaker, to the Premier: what will it take for the Premier to come clean with all Albertans who have been burdened month after month with high-cost electricity and admit to these consumers that electricity deregulation has been a total and dismal public policy failure?

**Mr. Klein:** Mr. Speaker, deregulation has not – has not – been a total and dismal failure. It has been a success. With or without

deregulation there could have occurred some problems with billing, and those problems became evident on the consumer or the retail side. It had nothing to do with generation and bringing more power on stream. That component of deregulation was highly successful indeed, notwithstanding what some people have offered as their opinions. The report of the advisory committee deals with the retail side, deals with the consumer side, and makes recommendations to fix the problem, and indeed action has already been taken by both the Department of Government Services and the Department of Energy to address this issue.

**The Speaker:** Second Official Opposition main question. The hon. Member for Edmonton-Riverview.

### **Provincial Fiscal Policies**

**Dr. Taft:** Thank you, Mr. Speaker. Today's budget update showed that this government has billions of dollars in surplus funds, yet we have seniors stranded in understaffed nursing homes, children in overcrowded classrooms, and municipalities closing basic facilities for the public. Under this government Alberta is a have province with have-not services. To the Premier: given the multibillion-dollar surplus, what excuse does he offer to the little children who sit in schools hungry because there is no school lunch program?

**Mr. Klein:** Mr. Speaker, that comment is totally unfounded, is absolutely unfair, and is simply not true. You know, while the opposition is sitting over there twiddling their thumbs and basically counting pennies and talking about a \$2.70 glass of orange juice, we're counting the billions of dollars of new infrastructure in this province. Since the year 2000-2001 this government has funded 774 new or renovated schools totalling \$1.1 billion, more than 60 new or renovated health facilities totalling more than \$1 billion, 38 new or renovated colleges and universities totalling more than \$500 million. Speaking of seniors, as the hon. member was speaking, we have funded 121 separate upgrades to seniors' lodges totalling \$65 million.

You know, their focus, as usual, is on the negative. I would like to remind them that we're focused on the 5,000 kilometres of highway this government has paved and the \$3 billion spent on roads in the last five years, needed infrastructure to sustain economic growth and prosperity. We're focused on the world-class student achievement results across the province and praise our school districts, the praise that they are receiving from jurisdictions across the world. I met with the Deputy Minister of Education from Saxony today, who admitted that they have a lot to learn from our school system and our achievement tests and the results that we obtain. We're focused on the 85 per cent of Albertans who rate the quality of their health care services as good.

**The Speaker:** I think we're going to go with brevity. The hon. member.

**Dr. Taft:** Too bad he's not answering his own telephone.

Given the multibillion-dollar surplus, what excuse does the Premier offer the stroke victim who sits 10 hours in the Foothills emergency room without seeing a doctor?

**Mr. Klein:** Mr. Speaker, again, the Liberals will search high and low and mainly low to find something wrong in this province. Not everything is going to be perfect 100 per cent of the time. That's why we operate on about a 70 per cent success rate. You know, if we have a 70 per cent approval rating, that is pretty good. There are

going to be 30 per cent of those who believe in the Liberals or the NDs or other, no matter how well we do.

Mr. Speaker, I would like to concentrate again on those things that are positive, like the practical health reforms that make a difference to patients, like electronic health records, new physician funding models, an on-line wait list registry, and around-the-clock access to over-the-phone health advice when he's speaking about health services. We're focused on the record number of MRI scans, heart surgeries, and joint replacements being performed in this province and the 600 doctors and 1,500 nurses who have moved here to Alberta in the last three years.

**Dr. Taft:** Again to the Premier: given the multibillion-dollar surplus, what excuse does he offer vulnerable seniors who, according to his government's own report, sit unattended in nursing homes because of staff cuts?

**Mr. Klein:** Mr. Speaker, he is again focusing on the negative – focusing on the negative. I would focus on the \$225 million in seniors' programs funded by this government annually, providing some services for nearly 60 per cent of seniors in Alberta who are in the low-income bracket. These are the kinds of things this side of the House, the government side of the House, is focused on. The opposition, well, of course, they're focused on trying to manufacture bad news in whatever way they can. And Albertans are not buying it.

#### 1:50 Utilities Consumer Advocate

**Mr. MacDonald:** Speaking of bad news from this government, Alberta electricity consumers are going to get more of it, unfortunately. One of the top recommendations in the report from the Premier's Advisory Council on Electricity is to create an independent, government-funded consumer ombudsman. My first question is to the Premier. Why is the Premier allowing the office of the Utilities Consumer Advocate to be fully funded by the gas companies and the Balancing Pool?

**Mr. Klein:** Mr. Speaker, I don't have the precise answer to that. I will have the Minister of Government Services provide a response.

**Mr. Coutts:** Mr. Speaker, this is an exact duplicate of the question that was presented yesterday in this House, and I have advised this House that, yes, the Bolger commission set up the idea of an advocate's office. That recommendation has been approved by government, and our department, responsible for consumer protection, has set up the advocate's position under the auspices of a deputy minister. It is important to make sure that government is close to this issue because Albertans have to have an open door, an open portal, to provide us with the information that Albertans are seeking when they want to know exactly how the energy restructuring has been done and what their rights are and how it is progressing to this point in time. The advocate's office does that for Albertans.

**Mr. MacDonald:** Again, Mr. Speaker, to the Minister of Government Services. Given that the minister has had 24 hours to consult with the Public Affairs Bureau regarding this matter, I will ask again: how can this government call the Utilities Consumer Advocate independent when his paycheque and his office expenses are being signed by the utility companies?

**Mr. Coutts:** Well, Mr. Speaker, the department of consumer services under Government Services is funded by the taxpayers of

the province of Alberta. The advocate's office is also funded by the taxpayers of the province of Alberta through their utility payments, through the Balancing Pool, and indirectly back. [interjections] They don't like this, but it's a better direct access to government than through the other means. There was actually no access to government other than through MLAs, and we heard MLAs respond through the Bolger report that the advocate's position be put in place to be that avenue to government, and that's what we did.

**Mr. MacDonald:** Mr. Speaker, this time to the Premier. Given that this is a clear case of payola, who in the government decision-making process made the decision? Who in cabinet made the decision that the office of the Utilities Consumer Advocate should be fully funded by industry?

**Mr. Klein:** Mr. Speaker, I'm going to have the hon. Minister of Government Services supplement, but I will take very strong exception to the suggestion that this is payola. Payola is the thing that their Liberal cousins in Ottawa are accustomed to with the sponsorship program scam that is going on, that they seem to endorse and have thrown up smoke screens to cover up by, you know, focusing on \$2.70 glasses of orange juice here in the province of Alberta.

Relative to the question minus the suggestion that there is payola, I'll have the hon. minister respond.

**Mr. Coutts:** Thank you, Mr. Speaker, and thank you to the Premier. The Alberta Energy and Utilities Board funds interveners. That is their responsibility when they look after the public interest in this province, and thank goodness we have an independent body that can do that. Thank goodness we have the industry that supports that EUB in helping to make those decisions.

Mr. Speaker, in terms of how the government is involved in this and the authority by which we as government, through the utilities advocate's office – the funding through the Balancing Pool is permitted under section 148 of the Electric Utilities Act, which was amended in this House in the year 2003. That amendment was provided for the development of the retail market in this province. Our department, through the advocate's office, is to help with that development of the retail market and to inform customers and consumers, small businesses, and farmers exactly how they can access this system properly.

**Mr. Hancock:** Point of order.

**The Speaker:** To the hon. Member for Edmonton-Gold Bar: after being recognized by the chair to ask the question, it might be appropriate then to listen to the answer instead of heckling.

The hon. leader of the third party.

#### Health Care Reform

**Dr. Pannu:** Thank you. During the past week the Premier has been peddling old wine in new bottles, Mr. Speaker. Instead of Hotel de Health, the Premier is promoting Hotel de Wealth. Allowing patients who can afford it to buy a better level of care in hospitals is a two-tiered health care system. My questions are to the Premier. While all Premiers agree that managing health care costs is a challenge, why does the Premier stand alone in advocating ill-advised user-pay schemes that lead to two-tier health care in this province?

**Mr. Klein:** Mr. Speaker, indeed, perhaps Alberta stands alone, as it

has on a number of issues, issues that have made this province very unique but, on the other hand, very prosperous and the envy of other provinces in Canada, because we've had the courage to think differently and to do things differently. Yes, I have said – and I will say publicly – that if all else fails and we can't reach consensus relative to meaningful reform to achieve sustainability in health care, then we will consider going it on our own.

But having said that, we will abide by the fundamental principles espoused by his late departed friend Tommy Douglas – well, I don't know if they were friends, but the late departed Tommy Douglas – who basically said that no one should lose their dignity and their home and their livelihood because of illness or sickness. That's what medicare was all about. [interjections] Well, it was. It was. It was brought about so that people who were sick or injured wouldn't lose their homes and their businesses because of illness or injury. That's why it was brought about.

The system has grown to be all things for all people for all causes, and we have to address that. Indeed, every Premier – every Premier – and every territorial leader has said that health care costs are driving their jurisdictions into bankruptcy, and it was unanimous in the letter to the Prime Minister that unless something is done to achieve sustainability, the health care system as we know it today will not be here 10 years down the road. Now, you may think differently, but I'll tell you that your friend in Saskatchewan, Mr. Calvert, your friend in Manitoba, Mr. Doer, agree – agree – with me on this point.

2:00

**The Speaker:** Do I take it, hon. Member for Edmonton-Highlands, that you rose on a point of order?

**Mr. Mason:** Yes, Mr. Speaker.

**The Speaker:** Okay.  
The hon. leader.

**Dr. Pannu:** Thank you, Mr. Speaker. My second supplementary question to the Premier: why is this Premier out of step with his fellow Premiers, including Conservatives like the Premier of Nova Scotia, who are urging the federal government to implement the blueprint for health care sustainability contained in the Romanow report?

**Mr. Klein:** Mr. Speaker, I am not out of step with the other Premiers. I agree with the other Premiers that that portion of the Romanow report should be adopted; that is, there should be more federal funding. But that is only one piece of the puzzle. That is a small piece of the puzzle. We need to look in a meaningful way at things we can do that won't undermine public health as it relates to those who are truly sick and injured in society but, at the same time, will give the regional health authorities and others the opportunity to generate revenue.

Now, relative to the wine situation, let's get it on the record and let's get it straight. A reporter from the *Edmonton Journal*, Kelly Cryderman, asked me about a situation in terms of sustainability, and I related to her a situation that was passed on to me by a person in Calgary. That person said that he travelled to Birmingham, England, where he wanted to get a hip replacement using the Birmingham hip, which I understand is the latest in technology.

He mentioned to me that he rented a room in association with the hospital. There were 10 rooms, five of them, by the way, occupied by Albertans – 10 rooms, five occupied by Albertans – and these rooms were like hotel rooms, but they were attached to the hospital.

Yes, those people who could afford it paid to have those luxury rooms, and yes he could order wine to his room because it was operated like a hotel, but the public hospital was still in place, was still doing hip surgeries. The doctors there contracted to do a certain amount of procedures under the national health system in Britain.

We have never looked at the system in Britain; we have never looked at the system in France; we have never looked at the system in Sweden: all of them social democratic countries. We have never looked in detail at those systems where they do have a mix of public and private. We have to ask ourselves: why are we number 27 in the world? Why are we not number one?

**Dr. Pannu:** Thank you, Mr. Speaker. Granted that this Premier keeps interesting company, why won't he level with regular Albertans and admit that the flexibility he seeks in interpreting the principles of the Canada Health Act is code for introducing health care user fees?

**Mr. Klein:** No, it's not code for introducing health care user fees, although user fees may be part of the answer. May be. You know, user fees is a sexy 15-second sound bite, but it may be a multitude of things including closing the Romanow gap, including looking at ways to allow regional health authorities to be more flexible, including recommendations contained in the Graydon report talking about deductibles and to some extent user fees. All of these things need to be looked at, and we need to look at them because the health care system that he cherishes so much will not be there. It will collapse totally and completely.

**The Speaker:** The hon. Member for Drayton Valley-Calmar, followed by the hon. Member for Edmonton-Glenarry.

#### Mature Cattle Marketing and Processing

**Rev. Abbott:** Thank you, Mr. Speaker. The partially lifted borders were excellent news for our cattle industry, although news reports today say that Montana is asking for a seven-year ban on live cattle exports, which is nonsense, and restrictions imposed by other countries limited the beef that could be exported to cattle less than 30 months of age. This has meant an overabundance of cattle more than 30 months of age with no other market than the domestic one. My first question is for the Minister of Agriculture, Food and Rural Development. What is being done to help deal with the overabundance of mature beef in Alberta?

**Mrs. McClellan:** Mr. Speaker, first of all, I don't believe that Montana is asking for a seven-year ban. There are a few people in Montana that have mentioned that. I spent some time with the Director of Agriculture for Montana in Washington earlier this week, and there was no suggestion of that. In fact, what all the directors of Agriculture across the U.S. and the ministers in Canada are searching for is a way to resume normal trade.

Mr. Speaker, when we were faced with the issue of BSE in our country, we quickly came to a conclusion with the industry that there were some things that we were going to have to do differently, and one was the handling of mature cattle. In spite of our being successful in having the border opened for boneless beef under 30 months in seven months, not seven years, we have a supply of mature cattle and bulls. Prior to May 20 about 60 to 70 per cent of those animals went live into the U.S. and into Mexico to be processed. So we realized that we were going to have to deal with this on a long-term basis in our country.

So the government of Alberta being visionary, working with the

industry some months ago, put three programs in place to deal with this issue. We realized that we had to have capacity to kill these animals, which we don't have today. We realized we had to have a home for the product within our country, which we don't have today, so we put three programs in place. The \$4 million beef product development program, which looks for new ways to use that material and, in addition, a \$25 million loan program with Ag Financial Services Corporation to help processors process that in our province.

**The Speaker:** The hon. member.

**Rev. Abbott:** Thank you, Mr. Speaker. My next question is for the same minister. Given that many farmers and ranchers are asking me how they can process and sell their own beef, what is your department doing to make it easier for small producers to develop value-added opportunities on their farms?

**Mrs. McClellan:** Well, Mr. Speaker, we have something in this province that's the envy of many provinces in Canada and, in fact, many places in the world.

**Mr. Mar:** It's our Premier.

**Mrs. McClellan:** It's our Premier – you're right – and the vision of this Premier.

We have in this province the Leduc processing centre, and I've often said that this is probably the best kept secret in our province, but, Mr. Speaker, it is becoming far better known, and many members would remember that we introduced, also, an incubator addition to that project.

What we have done with the programs that we have for funding, which are modest but are what our processors told us they needed to change their plants to handle more of this product, is put the Leduc processing centre at their disposal and also purchase some additional equipment that would be needed there to develop that product. That's what our producers told us: we need help with product development. Obviously, each one who wants to do this can't go out and purchase the equipment on a trial basis. So that is occurring, Mr. Speaker, as we speak.

**The Speaker:** The hon. member.

**Rev. Abbott:** Thank you, Mr. Speaker. That's good news.

My final question is for the same minister. Is your department considering changing any regulations to make it easier for producers to develop value-added opportunities on their farms?

**Mrs. McClellan:** Well, Mr. Speaker, if the experience with BSE has taught us one thing, it's the importance of having good food safety rules and regulations in place, the importance of having good livestock transportation rules and regulations in place, and having regulations in place that allow us to identify animals and/or, indeed, product readily. So as has been our practice, we sit with the producers. We'll talk about regulations that they might see that are inhibiting them from moving ahead, but we will not reduce regulations that in any way compromise the quality and the safety of the food products we produce.

2:10

#### Government Aircraft

**Mr. Bonner:** Mr. Speaker, yesterday we seemed to have some confusion about whether or not the government uses its planes to fly persons not in government to partisan political events. When I asked

if municipal leaders were flown in a government plane to a partisan political event, the Minister of Municipal Affairs replied: "Absolutely, yes, to the question." When I asked if the persons in question paid the cost of their trips, he answered: "At no time will a government plane ever be used for political purposes." This is a great contradiction. To the Premier: will the Premier help his minister out by confirming that the government does transport people to partisan political events such as a Premier's dinner?

**Mr. Klein:** Mr. Speaker, we're very careful about that. As a matter of fact, I know that those who attend Premier's dinners, whether it be in Calgary, Edmonton, Fort McMurray, Grande Prairie, Lethbridge, Medicine Hat, or Red Deer, are transported on chartered planes. Now, it may be that a minister or officials of the government have government business in that particular city and might have taken the plane down earlier to attend to that particular business, but in no case are any members of government allowed to take government planes to Premier's dinners or to other fundraising dinners.

**Mr. Lund:** Mr. Speaker, since the operation of the aircraft is in Infrastructure, I would like to supplement. I think that what is going on in here and what happened yesterday is actually very, very distasteful. From *Hansard* on page 117 just let me read a little of what the hon. member asked yesterday.

There were several municipal leaders, family members of MLAs, and other persons on board these government aircraft that day. Coincidentally, April 4, 2002, was also the Premier's dinner day in Calgary.

And then:

To the Minister of Municipal Affairs: did the government transport municipal leaders to the Premier's dinner, a partisan political event, on the taxpayer's [expense]?

Well, I happen to have in my hands right here – and I will file it later, at the appropriate time – the manifest from that day. It reads that the plane left Edmonton at 8:15 in the morning. There was one MLA and four other individuals aboard that aircraft. They were going to Calgary for a Roles, Responsibilities and Resources meeting sponsored by the Minister of Municipal Affairs. At 1 p.m. the plane left Calgary and came back to Edmonton, and on that plane there were the five people that went down in the morning plus two municipal leaders.

For the member to suggest that there were family members aboard the plane, that there were municipal people going to the Premier's dinner in Calgary that evening – you should be ashamed of yourself for making those kinds of accusations. They are absolutely false, and you should apologize to the people of Alberta for trying to make the people believe that, in fact, this is happening, because it is not happening.

**Mr. Bonner:** Again to the Premier. [interjections]

**The Speaker:** The hon. Member for Edmonton-Glengarry has the floor.

**Mr. Bonner:** Thank you, Mr. Speaker. To the Premier: can the Premier explain why on October 1, 2002, the government plane transported to and from Edmonton and Calgary six members of the Getty family?

**Mr. Hancock:** Point of order, Mr. Speaker.

**Mr. Klein:** Mr. Speaker, I have no idea, nor am I compelled to answer any questions relative to the activities of the former Premier.\*

\*see page 154, right column, paragraph 5

**Mr. Bonner:** To the Premier: will the Premier tell us if any persons transported on government planes have reimbursed their costs for their trips?

**Mr. Klein:** Mr. Speaker, there was a time when we used the government airplane to attend things like the Western Premiers' Conference and other events where we have charged members of the media and members of the business community, the trade mission to Houston where we used the Dash 8.

Transport Canada has since ruled that you can't do that. Now, that was unbeknownst to me, so there was nothing untoward about doing that at that particular time. So, yes, indeed, there have been charge-backs. We're looking at that policy now. Much to my chagrin and my disappointment, apparently it can't be done. I think it's a courtesy, to say the least, and it's a convenience for members of the media and others who might want to travel to these conferences to go on the government plane if there's room, providing they pay. We usually charge what they would pay on the lowest cost excursion. Basically, it's the cost of fuel.

**Mr. Lund:** Mr. Speaker, under the terms of our licence, we are not allowed to charge for trips. So, as the Premier has indicated, that procedure has stopped.

**The Speaker:** The hon. Member for St. Albert, followed by the hon. Member for Edmonton-Ellerslie.

#### Federal Health Care Funding

**Mrs. O'Neill:** Thank you, Mr. Speaker. At the first ministers' meeting in January the Prime Minister finally followed through on his predecessor's commitment for an additional \$2 billion to health care. Alberta's share of that money is approximately \$200 million. My question is to the Minister of Health and Wellness. Can the minister tell this House if he has had any indication yet from the federal government and the federal Minister of Health that it will annualize the one-time commitment to health care?

**Mr. Mar:** Mr. Speaker, across Canada health care costs have gone up at roughly twice the rate of the rate of growth of government revenues, and that's the reason why at yesterday's news conference from the Council of the Federation our premier and premiers from across Canada unanimously urged the federal government to annualize the \$2 billion that was announced by Prime Minister Chretien and repromised a number of times since then.

Mr. Speaker, as the hon. member indicated, Alberta's share of that money is \$200 million. Let's put that in perspective: that will only pay for about 10 days of health care in this province. Now, every dollar of that is welcome, and I know that regional health authorities will put it to good use, but to this point not Alberta nor any other province of Canada has had any hint at all that the federal government is planning on annualizing that funding, which is much needed.

**Mrs. O'Neill:** Well, my supplemental to the same minister then: has the federal government given any indication that it plans to pay more of its fair share of health costs?

**Mr. Mar:** Well, Mr. Speaker, a bit of history on medicare in this country. When it started out as a provincial/federal partnership with Tommy Douglas introducing a universal hospital insurance system in Saskatchewan, the federal grants for that were 50 per cent. So it was a 50-50 cost-sharing arrangement. Now, that model stayed in place until 1977 when a Liberal Prime Minister replaced it with

block funding for health and postsecondary education. That is what eventually turned into the Canada health and social transfer in 1996.

Right now nationally the federal government contributes just 16 cents on the provincial health care dollar. All provinces across Canada are demanding that the federal government move to the 25 per cent recommended by the federal government's own royal commission. So far, Mr. Speaker, there has been no federal intention expressed of doing so.

2:20

#### Water Management

**Ms Carlson:** Mr. Speaker, the government's ministers can't seem to agree on the Red Deer River diversion. The Minister of Energy seems to think it's no big deal, while the Minister of Environment isn't so sure. Yesterday that minister said he is not even sure whether he disagrees or agrees with the appeal. To the Premier: is the Red Deer River diversion, where fresh water will be taken out of the water cycle forever, a big deal, or isn't it?

**Mr. Klein:** Well, Mr. Speaker, if you'll permit me, I would like to answer that question, but something's been playing on my mind relative to a question asked by the hon. Member for Edmonton-Glengarry. It alluded to the former Premier and his family using the plane. I wasn't paying that close attention. It was in 2002. Indeed, Mr. and Mrs. Getty were on a plane as well as members of his former staff, and that was to transport him for the dedication of the Getty wild-land park. Just to have that clarified.\*

Mr. Speaker, in answer to the hon. member's question: is it of importance to me? Yes, it is. It's of extreme importance to me. It's of extreme importance to, I believe, both members representing Red Deer and the hon. Member for Lacombe-Stettler and the hon. Member for Ponoka-Rimbey, probably the hon. members for Rocky Mountain House and Drumheller-Chinook as well. The reason it's important is that some of the communities surrounding Red Deer are running short of water. Aquifers are drying up, and a diversion is deemed to be one way in which these communities can be assured of a secure supply of water for the future. Where that process is right now, I really don't know, but I am very keen on this particular project.

**Ms Carlson:** Mr. Speaker, then why would the approval for the diversion be given before the Water for Life plan has been completed? That seems to indicate to the communities in those areas that their concerns over long-term access to water are unfounded and going to be ignored. You can't just let companies take water out of the life cycle.

**Mr. Klein:** I think we're talking about two issues here. One is the sustainability of supply for communities, potable water, and the other is the whole issue of water being used in oil field development, Mr. Speaker. Perhaps the hon. member can clarify for me the point that she is trying to make because I, quite simply, don't get it.

**Dr. Taylor:** Mr. Speaker, I just wanted to point out that I believe the member opposite is once again recycling a question. Although as Minister of Environment I like recycling, I don't necessarily like recycled questions. She's recycling the question she asked yesterday, which I assume is dealing with the Environmental Appeal Board hearing that is going on as we speak. That has to do with the Capstone request to divert water out of the river for the Capstone Energy company. I assume that is what she is speaking towards.

What I believe the Premier was referring to was – if you remember last session, I believe, we passed an interbasin transfer act that would

\*see page 153, right column, last line

allow Red Deer to supply water to all those various communities that the Premier was referring to. But I believe the member was referring to the Energy hearing that's going on. As I said quite clearly yesterday, there's a process. I will have a recommendation from that hearing within 30 days or thereabouts, and we'll make a decision at that time.

**Ms Carlson:** Mr. Speaker, my final question is to the Minister of Environment. Does this government believe that using fresh water for injection is a sustainable use of water? Please don't recycle your "I don't know" answer.

**Dr. Taylor:** Mr. Speaker, as I pointed out when the member asked that question yesterday, we have a committee that is made up of the environmental groups; it's made up of the energy industry, the gas and oil producers; it's made up of the Alberta municipal districts and counties; it's made up of the AUMA. We have this group that is currently meeting, and they expect to have their initial recommendations back to me by the end of March or in that time frame, and they will be making recommendations on utilization of water that removes it from the hydrological cycle. That's what the committee is designed to do, and that's what we're waiting for recommendations on.

**The Speaker:** The hon. Member for Red Deer-North, followed by the hon. Member for Edmonton-Centre.

#### Education Agreement with Saxony

**Mrs. Jablonski:** Thank you. Mr. Speaker, on Monday, February 23 an agreement was signed between Alberta Learning and the German state of Saxony's Ministry of Education and Sports. The free state of Saxony in Germany also has an agreement of co-operation with the province of Alberta. Besides government agreements we have agreements between Lindsay Thurber high school in Red Deer and Harry Ainlay high in Edmonton that are twinned with high schools in Hesse, Germany. Could the Minister of Learning please explain how the agreement between Alberta Learning and the Saxon Ministry of Education and Sports will benefit the students and teachers of Alberta and why the Saxon ministry has chosen Alberta Learning to partner with?

**The Speaker:** The hon. minister.

**Dr. Oberg:** Thank you very much, Mr. Speaker. Just to start off on that question, I feel very strongly that any time we can sign agreements with countries across the globe, students in Alberta benefit. We benefit by sharing experiences. We benefit by sharing education systems.

This particular MOU, in specific, signed in five areas, basically. The first one was an educator exchange, which enables us to have teachers go back and forth between Saxony, Germany, and Alberta.

The second one was school partnership, which will be adding more to the twinning arrangements that the hon. member just asked about. Again, I feel that this is an incredibly good use of these agreements, where we can get students in our province of Alberta talking to and having good dialogue with students in other parts of the world.

The third thing will be information on education-related issues. Quite simply, Mr. Speaker, this is an agreement that allows us to talk about education, to talk about what each of our partners is doing.

The fourth thing will be the foreign language assistance program. Mr. Speaker, as I've said in this House many times, in the year 2006

we will be making second languages very, very important to our system. The German language will be one of them, and we will be counting on sharing expertise with areas such as Saxony in order to do this.

Mr. Speaker, the last thing that we signed was about teacher in-service training opportunities. Quite simply, this agreement entails that when there are in-service opportunities for either Saxony teachers here or for our teachers in Saxony, Germany, we will make those opportunities available and communicate to Saxony on this.

Mr. Speaker, again I'll reiterate that any of these agreements that we sign with foreign countries, with foreign states, truly add to the educational experience for our students.

**Mrs. Jablonski:** Mr. Speaker, my last question to the Minister of Learning: what areas of best practices in Alberta Learning were the delegation from Saxony most interested in?

**Dr. Oberg:** Well, first of all, Mr. Speaker, the reason that Saxony came over here is our rankings in the OECD. As everyone in this Assembly and everyone in Alberta should know – and many people do – we finished number one on the exams in the OECD in the year 2000. What this has done is given us truly a world-wide reputation for our learning system. Quite simply, what Saxony, Germany, wanted to do was come over and see exactly what we were doing in curriculum development, in technology, in teacher in-servicing and teacher professional development, essentially the whole elements of our learning system.

Mr. Speaker, through to the hon. member, they also had an opportunity to tour the Nanotechnology Institute at the University of Alberta as well as see several of our great projects at the University of Calgary. So in a space of about three or four days they saw an excellent cross-section of what we're doing in Alberta for education.

2:30

**The Speaker:** Hon. members, just a comment about question period today. It seems that the Speaker should never ask for brevity in questions and brevity in answers. Every time I do that we get less productivity, so I'm going to learn and never say that again.

My apologies to the eight members who could not participate today, but nine did participate with questions and answers.

head:

#### Recognitions

**The Speaker:** In 30 seconds I'll call on the first of several members. The hon. Member for Medicine Hat.

#### Alberta Union of Provincial Employees

**Mr. Renner:** Thank you, Mr. Speaker. Positive employer/employee relationships are something that every organization should constantly strive for. The government of Alberta is no exception. One way to maintain a positive working relationship is through face-to-face contact between front-line workers who apply public policy and MLAs who develop the policy.

This Monday I was pleased to participate in an educational seminar sponsored by AUPE, the Alberta Union of Provincial Employees. The purpose of this seminar was to assist union representatives to develop positive working relationships with government officials and legislators. I found the meeting to be enlightening and encouraging not because we agreed on every issue, because quite frankly, Mr. Speaker, we may never agree on every issue, but because we were developing a process so issues can be presented in a meaningful discussion that respects both the deliverer and the developer of public policy.

Mr. Speaker, I would like to thank the AUPE leadership and members for presenting me with a union hat and sweater after my presentation. As promised, I was pleased to model both on my way into question period this afternoon.

I ask all members to join me in congratulating AUPE on this positive training initiative.

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

**Dr. Gary McPherson**

**Mr. McClelland:** Thank you, Mr. Speaker. I rise today to acknowledge an Albertan well known to this Assembly. Her Excellency the Right Honourable Adrienne Clarkson, Governor General of Canada, presented the insignia of membership to the Order of Canada to Dr. Gary McPherson, Friday, February 20, 2004, at Rideau Hall in Ottawa. The Order of Canada is our country's highest honour for lifetime achievement.

I've had the privilege of knowing Gary for many years. He is a man of incredible strength of character and is a testament to the human spirit. For nearly 35 years Gary lived in a long-term care facility after childhood polio left him quadriplegic. His mind and his heart more than make up for his physical challenges.

Gary broke from the bonds of institutional living to become a voice of social change that has inspired others. He is a community activist, an administrator, and a role model for us all. As many of you know, Gary was the first chair of the Premier's Council on the Status of Persons with Disabilities. He remains active in our community to this day, providing strong, articulate leadership to the Alberta Paraplegic Association, the Rick Hansen Centre, and the Steadward Centre.

Behind every successful man is, of course, a happy and stable home. For that, we recognize Valerie Kamitomo, his lovely wife and mother to their children, Keiko, 14, and Jamie, 13.

Dr. McPherson is a remarkable Albertan embodying the values we hold dear, independent of mind, caring, and committed to building a just society for all.

Thank you.

**The Speaker:** The hon. Member for Calgary-East.

**Kim Evanochko**

**Mr. Amery:** Thank you, Mr. Speaker. It's indeed a pleasure to rise today to formally extend my congratulations to a very special young lady, Kim Evanochko, from the community of Forest Lawn in the constituency of Calgary-East.

Mr. Speaker, Kim has competed for some time in speed skating and earned the right to represent Alberta at the Special Olympics Canada Winter Games in Prince Edward Island. Today I'm very pleased to recognize Kim's very exciting finishes; namely, two first-place finishes, two second-place, and one third-place finish.

Truly, all participating athletes are to be commended. I especially want to applaud Kim's Olympic spirit and her contribution to Alberta pride.

I ask that my hon. colleagues join me in recognizing Kim Evanochko, athlete and Albertan extraordinaire.

**The Speaker:** The hon. Interim Leader of the Official Opposition.

**Greater Edmonton Teachers' Convention**

**Dr. Massey:** Thank you, Mr. Speaker. Today I recognize the teachers attending the greater Edmonton teachers' convention. This

has been a trying year for many of those teachers. Many are worried about the recommendations of the Learning Commission that may seriously rupture their professional association. The convention is an opportunity for them to set the problems of crowded classrooms, fewer resources, and colleagues who are no longer with them aside.

Renewing the Spirit is appropriately the theme of this convention. For many, given the trials of the past year, the theme will have special meaning. But renew their spirit they will. They'll explore new ideas, share successes with each other, and be inspired by internationally rated speakers. The topics range from a keynote speech on school bullying to a smorgasbord of panels, demonstrations, lectures, and debates that will help make them better teachers when they return to their classrooms. There are literally hundreds of topics to choose from spread over some of the best venues in this city.

We wish them well as they go about becoming better professionals. Our children will be the benefactors.

Thank you, Mr. Speaker.

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

**Pierre Lueders and Giulio Zardo**

**Mr. Lukaszuk:** Thank you, Mr. Speaker. It is with great pride that I rise today to recognize Pierre Lueders, an outstanding Albertan who recently won a gold medal in the 2004 World Cup two-man bobsleigh championship in Germany. His achievement on the world stage is a testimony to his athletic ability, determination, and commitment to excellence that serves as a powerful example to young, aspiring athletes throughout Canada and around the world. Like all athletes he has worked long and hard to reach such an exceptional level of success and, in doing so, has brought pride and honour to our capital city, our province, and our country.

Pierre and his teammate and brakeman, Giulio Zardo, are recognized as one of the best teams in the world. Their recent success builds on Alberta's rich tradition of excellence and demonstrates that effort and dedication have their rewards.

I know that all members of this Assembly are extremely proud of Pierre and will join me in extending our congratulations and best wishes to him and his teammate on winning a gold medal. I should add, Mr. Speaker, that Pierre is the brother-in-law of our Minister of Economic Development.

Thank you.

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

**Dr. Robert Lampard**

**Mrs. Jablonski:** Thank you. Mr. Speaker, on August 2, 2003, Dr. Robert Lampard of Red Deer and his son Geoffrey led a group of Rotarians with little or no mountaineering experience to the peak of Mount Davidson on the first documented climb of this 2,909 metre high mountain located on the eastern slopes of the Rockies near Devil's Head north of Lake Minnewanka. Mount Davidson was named after James Wheeler Davidson, an explorer, a community leader, and a Rotarian who chartered 32 Rotary clubs from Banff to Bangkok and from Athens to Auckland from 1920 to 1931.

At noon on that historic day the group of Rotarians, that included Davidson's grandson Tom Abramson, convened the highest organized Rotary meeting ever held in North America. They built a cairn, buried a time capsule, and toasted Davidson with champagne.

Davidson was a remarkable man and Rotarian, who had a mountain named in his honour. Dr. Robert Lampard of Red Deer is also a remarkable man and Rotarian, who made sure that the world



would not forget the generous and energetic contributions of a man who lived by the Rotarian ideals of making new friends and service above self.

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

#### Communications, Energy and Paperworkers Union

**Mr. Mason:** Thank you very much, Mr. Speaker. I rise today to recognize members of the Communications, Energy and Paperworkers Union, local 1900, some of whom I introduced earlier, who recently achieved a first collective agreement with Craig Media and A-Channel Edmonton. These union members – broadcasters, reporters, camera operators, and technicians – refused to give up even as the warm fall days turned into bitterly cold weeks and then into months during this long and difficult strike. My colleague and I from Edmonton-Strathcona along with many other Edmontonians were privileged from time to time to walk the picket line with them.

The members of CEP local 1900 are going back to work March 1 having ratified a first collective agreement with their employer. I send them our congratulations and our best wishes and our sincere hope that they can now start to reap the benefits of their employment that they so deserve.

Thank you, Mr. Speaker.

head: 2:40 **Tabling Returns and Reports**

**Mrs. McClellan:** Mr. Speaker, I'm tabling today a report required under the Universities Act. The report on university animal facilities for 2003 covers inspections of facilities at the three Alberta universities that use animals in research and education, these being the universities of Alberta, Calgary, and Lethbridge. The report does conclude that the animals are being cared for appropriately.

Thank you.

**The Speaker:** The hon. Minister for Sustainable Resource Development.

**Mr. Cardinal:** Thank you very much, Mr. Speaker. I'm pleased to table with the Assembly today five copies of a recently printed report of the Endangered Species Conservation Committee, which is chaired, of course, by my colleague the Member for West Yellowhead. The committee reports to me on the progress of their efforts on behalf of Alberta's species at risk. The 11-member committee represents the academic community and organizations of land-use managers, resource users, conservation groups, and government departments. The biannual report covers the period of June 2000 to June 2002 and sets the stage for ongoing activities.

Thank you, Mr. Speaker.

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

**Mr. Bonner:** Thank you very much, Mr. Speaker. With your permission I'd like to table the appropriate number of copies of the Alberta government aircraft passenger manifest, and these are for the date of Thursday, April 4, 2002. The first flight on this manifest is the King Air. The department is Infrastructure, from Edmonton city centre to Calgary.

**The Speaker:** Hon. member, we just table and move on.

**Mr. Bonner:** Mr. Speaker, I think this will help clarify one of the issues brought up earlier on the floor.

**The Speaker:** Right now we're in Tablings. Is the hon. member finished?

The hon. Minister of Infrastructure.

**Mr. Lund:** Thanks, Mr. Speaker. I want to table answers to Written Question 15 from last session and the manifest that I referred to earlier that clearly was the basis of the question from the hon. member.

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

**Dr. Taft:** Thank you, Mr. Speaker. I table the appropriate number of copies of a speech given by Christien Gauld. It was a very touching speech about the effects of cutbacks in speech therapy on her child.

Thank you.

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

**Mr. MacDonald:** Thank you very much, Mr. Speaker. I have one tabling this afternoon, and that is a letter to the editor of the *Eckville Echo*, and it is signed by Herman Schwenk from Coronation, past president, Alberta Rural Electrification Association, and this is in regard to electricity deregulation.

Thank you.

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

**Dr. Pannu:** Thank you, Mr. Speaker. I've got one tabling today. It's appropriate copies of a letter from Mr. Tim Belec dated February 25, 2004. He's a resident of Westeros, and the letter is addressed to the Premier. He urges the Premier to seek a mandate before opening up our hospital wards to "silver-trayed room service to foreign 'customers'."

Thank you, Mr. Speaker.

**The Speaker:** Hon. members, I'm not sure if there's a full moon out today or not, but we've three points of order. So the first from the hon. Government House Leader.

#### Point of Order Parliamentary Language

**Mr. Hancock:** Thank you, Mr. Speaker, and I hope by that reference that you weren't suggesting already that I was crazy.

Mr. Speaker, today in this House we reached, in my view, a new low, and I'm going to speak to the first of the new lows in my first point of order and then my second point of order presumably after Edmonton-Highlands has put his point of order.

The first point of order I raised was with respect to the third question put today, in this case by the Member for Edmonton-Gold Bar. I don't have the Blues, but during the process of putting his question, he used the term "payola." I would refer members to the Standing Orders of this House – 23(1), where a member "introduces any matter in debate which offends the practices and precedents of the Assembly," and 23(i), imputing "false or unavowed motives" would apply – but more particularly to *Beauchesne's* 493(3) and (4).  
(3) The Speaker has traditionally protected from attack a group of individuals commonly referred to as "those of high official station". The extent of this group has never been defined. Over the years it has covered senior public servants, ranking officers of the armed services, [et cetera].

(4) The Speaker has cautioned Members to exercise great care in making statements about persons who are outside the House and unable to reply.

Now, Mr. Speaker, when one uses the term “payola,” I think there’s a fairly clear understanding that one is suggesting impropriety and more than suggesting impropriety, but let’s go to the Oxford dictionary definition: “bribery in return for the unofficial promotion of a product in the media.” I don’t think it’s necessary for anyone on this side of the House to understand what the term means, but the people on the other side appear not to have a very good education; therefore, the Oxford definition of bribery: “dishonestly persuade (someone) to act in one’s favour by a payment or other inducement.”

Mr. Speaker, that is probably the most heinous thing that one can say of another person in government and public service, and in this case there can be no doubt as to whom the member on the other side was referring in his question. He was talking clearly about the public’s advocate, the deputy minister level employee of the government who has been named as the Utilities Consumer Advocate.

Basically, the gist of the question today, the questions that have been raised earlier in the House – and I don’t for a moment raise any concern about opposition members or any member of the House questioning how monies are applied to any particular project, who ought to be paying, who ought not to be paying. But to go so far as to suggest that there’s payola, bribery, dishonesty with respect to a public official goes way beyond the pale, and that hon. member ought to stand in his place and state that he had no intention to impugn the integrity of senior public servants in this province and to acknowledge that by saying that there’s payola involved, he’s taking it above the normal propriety of this House in which the opposition has the right, indeed the obligation, to question the way in which government operates and went far beyond that. He should withdraw the comments which clearly impugn the integrity of the utilities commissioner of this province.

**The Speaker:** Hon. Opposition House Leader, are you participating on behalf of the hon. Member for Edmonton-Gold Bar?

**Ms Blakeman:** Yes. In my inaugural response as a House leader to the point of order raised I will be arguing in defence of the questions from the Member for Edmonton-Gold Bar. In looking at the question that was asked, there was no clear reference with the use of the word “payola,” unlike what is being argued by the hon. House leader on the other side. He was questioning why the government had chosen to make other funding arrangements than what were clearly outlined in the government’s own policy. The question of the use of the word “payola,” which is an informal bribe to get special treatment, especially to promote a commercial product – in the question asked by the member, he’s not making reference. He said, “Given that this is a clear case of payola.” He does not attribute it to any given individual or entity at all.

Now, the House leader also raised but didn’t argue the point of offending the practices of the House under 23(1), and he also raised *Beauchesne* 493(3) and (4), which is referring to “those of high official station,” and in fact that has not been determined. “The Speaker has traditionally protected from attack a group of individuals commonly referred to as ‘those of high official station.’ ” It’s never been defined, but it gives suggestions of “senior public servants, ranking officers of the armed services, diplomatic representatives in Canada, a Minister who was not a Member of either House.”

2:50

Well, we’re here talking about independent businesspeople. [interjection] Yes, we’re talking about who pays the utility commission, and the people that are involved in that I don’t think are

covered under any of the groups that I have just named: “of the armed services, diplomatic representatives in Canada, a Minister who was not a Member of either House.” So I dispute that point from the member.

This is the job of the Official Opposition: to raise questions with the government and to call them to account. That is what this member has tried to do in bringing forward a situation in which the government appears to have contravened its own policy, and the member was questioning why. So I would argue that none of the citations brought forward by the House leader have in fact been contravened.

Thank you.

**The Speaker:** Additional participation?

Well, there may be some members in the House who actually are young enough not to know the origin of the word “payola,” so just for edification I will advise them that there was a time in North America when disc jockeys were playing music and record companies wanted to promote music and the artists on the records. Somehow it seems that payments were made under the table to the disc jockeys to play the records. So it was a bribe, and it was exposed. As I recall, the American Congress, in fact, had massive hearings at one time, and a lot of very reputable people who had started careers in the record business quickly found their careers brought to an end.

In this case the hon. Member for Edmonton-Gold Bar raised the first question: “Why is the Premier allowing the office of the Utilities Consumer Advocate to be fully funded by the gas companies and the Balancing Pool?” Okay. A straightforward question.

In the second question the hon. Member for Edmonton-Gold Bar then goes further: “How can this government call the Utilities Consumer Advocate independent when his paycheque and his office expenses are being signed by the utility companies?” So there was a progression down the line.

Then in the third question the Member for Edmonton-Gold Bar basically agrees with the position he wants to take by saying:

Given that this is a clear case of payola, who in the government decision-making process made the decision, who in cabinet made the decision that the office of the Utilities Consumer Advocate should be fully funded by industry?

There’s a progression in the three questions that almost leads to the conclusion that there was bribery taking place. That is, in the chair’s view, totally, totally odious, and I’m not so sure that the language in the past is such that – everything has to do with the context of the question.

The word “payola” was used once in the Canadian House of Commons, and it was used in a speech given by the Member for Calgary West on September 28, 1998, but it was used in this context: “We have to end the whole practice of some would say payola, patronage, kickbacks or backroom dealing. Anyway we want to phrase it, it is wrong and we should end these types of things.” There was no intervention and there was no interjection in the Canadian House of Commons at the time.

Today it seems, though, that there’s an innuendo with respect to this. No one has been named with respect to this, and I say that no one has been named, so that means it’s a technical determination that there was not an allegation made against a particular member. But there’s absolutely no doubt in the chair’s mind that it wasn’t required. The phrase was not required in the question. It added nothing to the question.

The chair understands that there is a dynamic in the question period, but the chair also knows that if all members of this House respected the rules that are found with respect to questions in the

book that we use, *Beauchesne*, and also the guidance provided by the chair prior to the beginning of each session, we would never have these kinds of interventions. We would never have these kinds of statements with respect to a question period.

The word in this case added absolutely nothing to the contents of the question. It provided an innuendo that perhaps will hurt someone outside of this House. Hopefully, that will not be the case. Words such as this are not necessary to any of the quality in this Assembly. One may be enthusiastic in the question, but the use of words which may cause harm to others adds nothing and adds nothing to the dignity of the person raising the question. The chair also has to note that the Premier did respond and said that he would use this term in speaking of the federal Liberals.

I think we're just on the edge here today of whether or not this is a point of order. There's nothing that added to the quality of the context. There is nothing that added to the importance or the impact of the question. It was a rightful interjection for the Government House Leader to raise the point of order. It was a rightful opportunity to have a review of this. I just wish people would ask questions according to the rules of the House, and maybe the answers would come back, too, according to the rules of the House. This is not a good example to give to anyone who visits this Assembly. I feel sad about that.

Hon. Member for Edmonton-Highlands, you had a point of order?

#### Point of Order Addressing the Chair

**Mr. Mason:** I did indeed, Mr. Speaker, and if I may cite from *Beauchesne's* 168 and from *Erskine May*, chapter 18, on page 371: "A Member must address the Speaker and not direct his speech to the House or to any party on either side of the House." I don't have the Blues in front of me, but today during question period in response to the question from my colleague the leader of the New Democrat opposition . . . [interjections] If I can make my point without interruption. The Premier leaned over and in a very belligerent and aggressive fashion, pointing his finger at my colleague, repeatedly addressed him directly and not through the Speaker, calling him "you." He repeated that several times. I would just like to bring to the House's attention that as per your ruling it is, in fact, a requirement that even in response to questions it's important to go through the chair and not personally address any members of this Assembly.

**Mr. Hancock:** Mr. Speaker, I think it's always a matter of the rules of the House that one addresses the Assembly through the chair. It is difficult when you're asked a question and you're responding to a question raised by a member. You tend to look at the member and you tend to address the answer to the member because that's what's considered polite in normal society, but we recognize that in this House we address matters through the chair. I will make sure that all members of Executive Council are aware that that is the practice, procedure, and process in the future.

**The Speaker:** Hon. members, I'm going to bring this one quickly to a head. There was absolutely no doubt at all in the chair's mind that the hon. the Premier did turn his back to the chair and did focus his attention in the direction of the members of the New Democrat caucus, who should not have been interjecting when the Premier was speaking.

Now, there is a basic protection the chair can give to all members. There is a reason why members speak through the chair, and there is a reason why members are asked to direct their comments to the chair. It's not because the chair has an ego that needs to be, you

know, enhanced. That's not the reason. It's done so that the chair can be in a position to protect the member and the members. If the member is not facing the chair and if something 'slurrious', spurious may be used by way of language, I guess, with words being omitted or body movements or something like this, if the chair doesn't see it, the chair cannot intervene to protect anyone. That's the reason, and it's a basic reason.

3:00

In this case there's absolutely no doubt at all that the Premier did turn around, and he did look and I think as he was saying – I'm not sure that it was belligerent, though, when you read the words: "Now, you may think differently, but I'll tell you, your friend in Saskatchewan, Mr. Calvert, your friend in Manitoba, Mr. Doer, agrees – agrees with me – on this point." There's a lot of friendship talk in here. If it's belligerent, I'm sorry about that, but I could not see that.

So, Government House Leader, if you would convey to all your colleagues, again, the reason for this. Please use all the words used by the chair in conveying the message. It would be kind of important.

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

#### Point of Order Improper Inferences

**Mr. Hancock:** Thank you, Mr. Speaker. I will use all the words and assure him that it wasn't with respect to vanity that you require to be addressed.

But, in all seriousness, there has been a series of questions raised in this House in the last few days and, in particular, one raised today by the Member for Edmonton-Glengarry which offend the practices of the House. Particularly, I would point you to *House of Commons Procedure and Practice* page 438 under Written Questions where it says:

While oral questions are posed without notice on matters deemed to be of an urgent nature, written questions are placed after notice on the Order Paper with the intent of seeking from the Ministry detailed, lengthy or technical information relating to "public affairs."

I would submit, Mr. Speaker, as well, *Beauchesne's* 409(7) on page 121: "A question must adhere to the proprieties of the House, in terms of inferences, imputing motives or casting aspersions upon persons within the House or out of it." And 23(h) and (l) as well, as I've referred to earlier.

Essentially, my point, Mr. Speaker, is that the hon. Member for Edmonton-Glengarry has on at least two occasions raised specific questions in the House with respect to a specific date some years prior to this with respect to a specific manifest and who might be on it. It would be both courteous and parliamentary of that member to either put that type of a question in the form of a written question or provide notice to the minister that he's raising the question with the intent of the question if, in fact, he intends to do something other than cast aspersions on the minister.

It is the Minister of Infrastructure who's responsible for who flies on government planes at what time. It's the Minister of Infrastructure who has the obligation to ensure that the government planes are used in an appropriate manner. By raising questions in the House – and again I don't for a moment want to deny the opposition or anyone else in this House the right to ask about the appropriate use of government planes or the appropriate use of government money and the people's money or any of that. It's not about not being held accountable. It's about how you're held accountable in the manner which is not simply a drive-by smearing but is an appropriate question for accountability.

When you ask a question of a detailed nature on a manifest on a

specific date at a specific time as to who was on the plane, knowing full well that no one – the Minister of Infrastructure, despite his brilliance, cannot possibly know who was on what plane on what day for what purpose, so by asking the question in that manner in the House, the motive of the member asking the question is obviously to create an innuendo of some improper purpose. If it was for any other reason that he asked the question, he would have either given notice to the minister so that the minister could be in a position to know who was on the plane at that time and be prepared to be accountable for it, or he would have put it in Written Questions, where matters of a technical nature are properly determined.

It is totally inappropriate and offends the propriety of this House to use this House to smear the character of other members and to bring the character of all members into disrepute by suggesting that there's a process of using government planes or government money, the people's money, inappropriately. Government must be held accountable. Government must be open and honest. We relish the opportunity to be open and honest, to be the most open government in terms of providing accountability for public funds anywhere. But raising questions in that manner has only one purpose, Mr. Speaker, and that's to smear, to drag down the reputation of the member who's responsible for determining who rides on government planes at what time and for what purpose. There could be no other reason for asking the question in that manner, and the member should rise in his place and apologize.

**The Speaker:** The hon. Opposition House Leader.

**Ms Blakeman:** Thank you for the opportunity to respond to the issues brought forward by the hon. House leader. As I stated before, it's the job of the Official Opposition to ask questions of the government and hold them to account, and in fact, Mr. Speaker, that's exactly what happened today.

The Government House Leader very quickly named a number of citations. I missed the first two – I'm sorry – but I did catch 23(h) and (l) regarding casting aspersions, and I would like to come back to that. He spent a great deal of time also talking about how the level of detail that was asked for was more appropriate for a written question, and then somehow tried to hook that to the fact that it was a smear in that it had been asked as a question in question period rather than as a written question. The logic of that is escaping me.

I will address the actual questions that were asked. What's interesting in this is that the ministers were very well prepared today because there was a question that was asked yesterday. The Member for Edmonton-Glengarry very carefully laid out in the preamble the misunderstanding or possible misunderstanding that had happened in the exchange yesterday and offered an opportunity for the government to clarify, because in fact on the face of it there was a discrepancy in what the minister questioned yesterday had answered.

The questions were very straightforward to the Premier: would he help his minister out by confirming that the government does transport people to partisan political events? So the opportunity for the government to answer the question. There were no names mentioned there. I don't know how anyone could be smeared by it. There were no names mentioned.

In the second question, the Premier is asked again about a specific date. Now, according to the information that we were able to obtain, there were some seven flights on the day in question, and in fact the Minister of Infrastructure was very well prepared because he had the aircraft request from Alberta Infrastructure with him. So he was very prepared for this particular series of questions. When there was a question about transportation of a particular group of people – and the question asked was very straightforward; there was no innuendo.

It was just why on this particular date the government plane was used to transport a particular group of individuals who were not sitting government members. According to the information we have, that's a perfectly reasonable question.

The final question in the series: whether the persons that were transported – again, no names were mentioned there in the third question – reimbursed costs, and that in fact was answered.

There was no casting of aspersions upon any individuals, named or unnamed, here. There were straight-out questions to seek information from the government. A set of circumstances presented themselves, and the opposition questioned the government on that set of circumstances to allow the government to answer why that situation occurred.

The second issue raised by the Government House Leader is that somehow the government was unprepared for this, and it was not fair or was going against the practices of the House to be asking a question that required a level of detail the minister couldn't be expected to have. In fact, the Minister of Infrastructure was very prepared to answer that, and the original question to the Minister of Municipal Affairs was asked because on the passenger manifest that was the department under question. So the question was appropriately directed the first time, and in fact the minister responsible in this case was very aware of the situation and was prepared to answer the question, as was evidenced.

So we do not have aspersions cast here. We have no practices that offended the House. The opposition was seeking information and is perfectly entitled to do that. The question named names where appropriate and didn't where it wasn't appropriate. I don't see how there is a successful point of order in what the Government House Leader has presented.

I look forward to your response.

3:10

**The Speaker:** The hon. Minister of Infrastructure on this point of order.

**Mr. Lund:** Yes, on this point of order, Mr. Speaker. I'm having trouble even believing that someone would stand up and make some of the comments that we just heard. Clearly – clearly – yesterday the member said: "There were several municipal leaders." The fact is that coming from Calgary to Edmonton, the mayor of Edmonton and the mayor of Leduc were the two people from a municipality. "Family members of MLAs": there was no family member of any MLA. As a matter of fact, there was only one MLA. They had the manifest, and they had the names of all the individuals that were on that manifest. "Other persons": yes, there were other persons on it.

Also, to suggest and question: were these people going down to the Premier's dinner? Well, the fact is that the plane, when I look at the log, left Calgary at five minutes after 1 o'clock. The Premier's dinner did not start till the evening, and in fact all of the people – all of the people – that flew down to Calgary on the aircraft in the morning came back on the aircraft and left Calgary at . . . [interjection] But there's only one flight that was with Municipal Affairs, and you asked the question of Municipal Affairs, so there's no question, Mr. Speaker, about the intent of what they were up to.

**The Speaker:** Hon. Member for Edmonton-Glengarry, do you want to participate?

**Mr. Bonner:** No. That's fine.

**The Speaker:** The hon. government whip, please.

**Ms Haley:** Thank you, Mr. Speaker. With respect to the point of order today, just on the specific narrow band of that, the issue on the point of order was actually on the October 2002 – the innuendo was that we were flying former Premier Getty and his family around for no specific purpose.

I wanted to just address from my perspective, sitting and listening to the questions since last week when we came back into this spring session, that many of the questions are designed on the basis of implying in some way, passing innuendo or casting aspersions or making people who take the time to listen to this or read a headline, that somehow members of my government – ministers, MLAs – are doing something wrong. Mr. Speaker, what I find totally and wholly unacceptable about what's happened since the session began is that whether anybody's been guilty of anything, the innuendo is out there.

In the world that we live in where so many people enter the world of politics with all the best of intentions, nothing but the right reasons for wanting to be here, it takes about four seconds before somebody's questioning whether you have any integrity. These types of things that we do to ourselves in here are just horrendous to me. There are many issues in an over \$20 billion budget in 24 different departments: in health, in education, on roads. There are great questions, and the opposition have every right to ask them. But when they drop down into these depths, they make everybody feel like, "My God, what are we doing? We must have done something wrong."

You're always putting into question our integrity in here. When you do that, hon. members, you do it to yourselves as well, and I think it's really sad. It's so out of character for what Alberta stands for. I just hope that one day this kind of thing can stop, that we can get back onto issues that matter. They have their philosophical point of view; we have ours. But when you tear us all down like this, you've hurt the whole, and there's no merit in it. There's no value to it. It is not what Albertans expect of us. Frankly, it just horrifies me, and I want it to stop.

**The Speaker:** Let me quote from *Alberta Hansard*, Tuesday afternoon, February 24, 2004, page 117. This is the Minister of Municipal Affairs.

Thank you, Mr. Speaker. Let me be categorical. At no time will a government plane ever be used for political purposes, now, ever before, or ever into the future.

That's in *Hansard*. That was said here yesterday.

Okay. I respect any hon. member's right to stand in this House and say what they want to say, providing it's within the rules. So today the hon. Member for Edmonton-Glengarry started off with a preamble saying that there was some confusion about whether or not the government uses its planes to fly persons not in government to partisan political events, and the last statement in the question was:

To the Premier: will the Premier help his minister out by confirming that the government does transport people to partisan political events such as the Premier's dinner?

Now, I just finished reading what I read in *Hansard* on page 117. Okay. It seems to me it was clarified, but the hon. member is right to raise a question. So the Premier responded.

The next question from the hon. Member for Edmonton-Glengarry:

Thank you, Mr. Speaker. To the Premier: can the Premier explain why on October 1, 2002, the government plane transported to and from Edmonton and Calgary six members of the Getty family?

Now, as I'd indicated in a previous point of order today, there seems to be an extension from one question to the next. Clearly, our rules make comment about innuendo. If I were to read this: does the government "transport people to partisan political events such as the Premier's dinner?" there's an answer given. So the next one is: what

about "six members of the Getty family?" Well, I guess I'm just sitting here saying: whoa, does he mean that six members of the Getty family went to a partisan political event such as the Premier's dinner? That would be the connection I'd make. That's what I make. All I do for a living these days is listen – that's my sole reason for being – and I think there was an innuendo. Once again, I know the hon. Member for Edmonton-Glengarry, and I know he's better than that.

So it's not a good day. We've had an explanation of this. You know, this is – what? – day 6. It was clarified to me that there's not a full moon out today, but I heard the plea from the government whip, the hon. Member for Airdrie-Rocky View, about pulling people down: everybody goes down. I think this is a place of honour. We've had this building here for 99 years in the province of Alberta, and I think we're supposed to be here to talk about policy and alternative policies, and we start talking about personalities and stuff like that. Maybe there's another place in the world for it, but it's never been a part of the tradition of Alberta that I'm aware of.

head:

### Orders of the Day

head:

### Transmittal of Estimates

**Mrs. Nelson:** Mr. Speaker, I have received a certain message from Her Honour the Honourable the Lieutenant Governor, which I now transmit to you.

**The Sergeant-at-Arms:** Order!

**The Speaker:** Hon. members, the Lieutenant Governor transmits supplementary estimates of certain sums required for the service of the province for the fiscal year ending March 31, 2004, and recommends the same to the Legislative Assembly.

Please be seated.

**Mrs. Nelson:** Mr. Speaker, prior to moving a number of motions relevant to the supplementary estimates, I wish to advise that this morning I provided the government's 2003-2004 quarterly budget report for the third quarter to all MLAs. We have also made this report public as required by section 9 of the Government Accountability Act. I am now tabling this quarterly budget report as the amended consolidated fiscal plan. This revised plan is required by section 8 of the same act whenever a subsequent set of estimates is tabled during the fiscal year.

I am also tabling the third-quarter activity report for 2003-2004. This document describes the major achievements of our government during the recent period.

3:20

Mr. Speaker, I also now wish to table the 2003-2004 supplementary estimates, No. 2. These supplementary estimates will provide additional spending authority to nine departments of the government. When passed, these estimates will authorize an increase of \$114,322,000 in voted operating expense and equipment/inventory purchases and \$6,350,000 in voted capital investment.

Mr. Speaker, section 8 of the Government Accountability Act requires that the government table a new and amended consolidated fiscal plan when there is another set of estimates. Having just tabled the amended fiscal plan as the quarterly budget report for the third quarter, I have complied with that requirement.

head:

### Government Motions

8. Mrs. Nelson moved:

Be it resolved that the message of Her Honour the Honourable the Lieutenant Governor, the 2003-04 supplementary estimates

for the general revenue fund, and all matters connected therewith be referred to Committee of Supply.

**The Speaker:** It's a debatable motion.

[Government Motion 8 carried]

9. Mrs. Nelson moved:

Be it resolved that pursuant to Standing Order 58(9) the number of days that Committee of Supply will be called to consider the 2003-04 supplementary estimates for the general revenue fund shall be one day.

[Government Motion 9 carried]

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

**Bill 7**

**Senatorial Selection Amendment Act, 2004**

**The Speaker:** The hon. Minister of International and Intergovernmental Relations.

**Mr. Jonson:** Thank you, Mr. Speaker. It is my pleasure this afternoon to rise to speak to second reading of Bill 7, the Alberta Senatorial Selection Amendment Act, 2004. The government of Alberta has long been committed to Senate reform. We have led the charge in pursuing meaningful change through a triple-E Senate, one that is equal, elected, and effective.

Mr. Speaker, Alberta was successful in having Stan Waters, the first Senate nominee elected under the Senatorial Selection Act, appointed to the Senate by then Prime Minister Brian Mulroney back in 1990. Since that time, the Premier has continued to seek the support of other Premiers and the Prime Minister to achieve meaningful Senate reform.

Mr. Speaker, the Alberta Senatorial Selection Act is due to expire on December 31, 2004. It was originally expected to be a transitional measure while the provinces and the federal government worked toward an agreement on a triple-E Senate or on overall Senate reform. Now with Bill 7 I am proposing that the act be extended out to December 31, 2010. It has already been extended twice before, once in 1994 and in 1998. I would like to extend the act so that a mechanism remains in place to elect Alberta's Senate nominees should we decide to do so. Extending the act does not commit Alberta to holding further elections for Alberta's Senate nominees. However, it does keep the election mechanism in place so that we would not have to start all over again from the ground up with new legislation allowing Albertans to vote for their Senate nominees.

Mr. Speaker, as we saw with the past Prime Minister, there seems to be little inclination on the part of the current Prime Minister to appoint either of Alberta's elected Senate nominees to the upper Chamber. With two Alberta Senators reaching mandatory retirement age this year, three of Alberta's six Senate seats could be empty.

Alberta will continue to press for Senate reform with other provinces and the federal government. We need to modernize Canada's democratic foundations and ensure that the voices of the provinces are adequately reflected in our parliamentary institutions. Therefore, I encourage all members to vote in favour of Bill 7, the Alberta Senatorial Selection Amendment Act, 2004.

Thank you, Mr. Speaker.

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

**Mr. Bonner:** Thank you very much, Mr. Speaker. It is a pleasure to rise this afternoon and speak to Bill 7, the Senatorial Selection Amendment Act, 2004. Certainly, we understand the reasoning behind the extension of this act, but by way of history the concept of a triple-E Senate, which was elected, effective, equal, gained prominence during the 1980s as it was adopted as policy by the government of Alberta at that time. By way of history again, on March 10, 1987, the Alberta Liberals introduced Motion 210 calling for triple-E Senate reform.

During the Meech Lake constitutional discussions it was agreed that the Prime Minister would appoint Senators from a list provided by the provincial governments until real Senate reform occurred. After Meech Lake failed, Prime Minister Mulroney agreed to fill vacancies from provincial lists. In response Alberta passed the Senatorial Selection Act in 1989 because the government believed that the only fair way to choose a candidate for the list was through a province-wide election. The Alberta Liberals voted against the Senatorial Selection Act at that time. In 1989 an Alberta Senate seat became vacant, and an election was held, won by Reformer Stan Waters. The Prime Minister grudgingly appointed him to the Senate.

Amendments were introduced to the Senatorial Selection Act in 1998. Those amendments made it possible for a government to hold elections for a Senate nominee even when no vacancy currently exists. It also established that a person would remain a Senate nominee until they are appointed by the Prime Minister, resign as a nominee, or until their term as nominee expires. Lastly, the bill allowed the provincial cabinet by regulation to determine the duties and functions of Senate nominees, established mechanisms to assess their performance and accountability.

So this is some of the history. In October of 1998 Bert Brown and Ted Morton were elected, with, I might add, a very, very low voter turnout. I did want to provide some background as to where we as Liberals, the Official Opposition, stand on a triple-E Senate. I look forward to hearing comments from other members of the Assembly, and I do thank you for this opportunity to speak to Bill 7, the Senatorial Selection Amendment Act, 2004.

Thank you.

**The Speaker:** The hon. leader of the third party.

**Dr. Pannu:** Thank you very much, Mr. Speaker. It's a pleasure to rise and speak briefly to Bill 7, Senatorial Selection Amendment Act, 2004. This bill seeks to extend the life of the existing legislation to the year 2010, as I understand it.

Mr. Speaker, the bill speaks to an issue that's broader than just fixing the problem with the Senate. I think Canadians in general would like us all – Canadian citizens, Canadian governments, Canadian political parties, and others – to certainly seek to modernize, bring up to date all our electoral systems, whether they pertain to the election of members to the House of Commons, a House such as ours, the Legislative Assembly of a province, or the manner in which a Senate at the federal level is constituted.

3:30

The general interest, which is reflected to a degree in the bill but, certainly, widely expressed by all kinds of organizations and some political parties including federal NDP and provincial New Democrats, with respect to the need to broadly update and modernize our electoral system I think is appropriate. So the general idea in the bill is something that I have no quarrel with, but to tinker with little pieces one piece at a time I don't think serves well the interests that Canadians in general and Albertans in particular have in the need to

modernize our electoral system and the manner in which we constitute our various decision-making bodies at the federal and provincial levels.

I think it's appropriate, perhaps, at this stage, Mr. Speaker, to raise the question of, in fact, increasing regional and provincial representation at all levels including the House of Commons and making that representation not only regionally more representative but also representative in terms of the strength of different political parties that take part in the body politic of Canada both provincially and federally.

Proportional representation has certainly been proposed as one important next step that needs to be taken. Fair Vote Canada, a nonpartisan organization, has been campaigning and working at bringing forward the proposition to move our electoral system from one that's the first past the post type in which the winner takes all model is operational. It doesn't provide representation based on the number of votes, the strength of support expressed electorally that different parties enjoy during our election processes. Western Canada, for example, would be much stronger in terms of representation in the House of Commons if the proportional representation model appropriate to Canadian conditions were adopted here.

So the way to strengthen the voice of provinces and regions at the federal level, in my view, would be much better served if we in this province and across this great country seriously engage Canadians and Albertans in debate with respect to how to improve upon and change our electoral system in order to make all our institutions, including federal institutions, more representative both of political support as expressed through elections and regional representation as indicated in the number of votes and the pattern of support that can be established through democratic, free, and open elections.

So while I understand the spirit behind this proposed legislation, to extend an existing legislation which narrowly focuses on the Senate and the Senate alone, I think it's a bill that's now behind the times. It reflects the debates of the '80s and the '90s. We are into the next new century. We'll be stepping into a new century for this province next year, and I think it's about time for this province to play a leading role in seeking a broad-based change and reform in the electoral system so that both we as Albertans and also we as part of western Canada can find our voices appropriately represented and reflected in federal bodies both at the House of Commons level and perhaps the Senate level.

One question that needs to be raised and debated, I think, is about the present sort of role of the Senate as a body that doesn't really reflect any democratic values or commitments in the way it gets appointed. It hasn't really served to broaden democratic participation or democratic sorts of commitments on the part of ordinary citizens to the electoral process because the Senate, in particular, denies the role to Canadians in having any ability to determine who sits in the Senate.

Merely for one province to continue to bring forward legislation which, in my view, is perhaps left behind by the changing times suggests that we need a more broad-based, more pan-Canadian effort to mobilize support for effective reform that will democratize the institutions that we take pride in and that provide us the democratic means to set the course of our nation, of our province, and of communities across this country.

So, Mr. Speaker, I have serious reservations about the utility of Bill 7 and what it proposes to do. Thank you.

**The Speaker:** Hon. members, Standing Order 29(2)(a) kicks in.

**Mr. McClelland:** On debate?

**The Speaker:** No. We have the five-minute comment and question section. Any members wishing to participate?

There being none, then the hon. Member for Edmonton-Rutherford.

**Mr. McClelland:** Thank you very much, Mr. Speaker. This is a particularly important opportunity to speak to the Senate of Canada. I speak to the Senate of Canada today because I think that vested with the Senate is the capacity to achieve balance in the country, which is sadly lacking, but if it were there, it would effectively remove many of the irritants which have over many decades, since at least 1914 or 1915, resulted in what is known as western alienation and in our case particularly alienation here.

[Mr. Shariff in the chair]

Now, it's interesting that the Senate didn't happen overnight. The Senate was a reflection of the British parliamentary system in the House of Lords. As members would know, the House of Lords is an appointed body, and it was appointed without number, so in the Confederation debates that took place in 1864, the first question that came to be debated was the number. It was decided that there would be a limited number of Senators, and initially it was for Upper/Lower Canada or for the provinces that made up Confederation. But there would be a finite number, unlike with the British House of Lords, which could, in essence, be an infinite number.

The second consideration that took place even at that time in the 1860s was: would this body be elective or would it be appointed, and if appointed, how so? The concern was that if the upper House was to be a reflection of that which already existed, all that would happen is that it would end up being a mimic of the lower House. It was determined at the time that the lower House should have an effective check and balance that would not have members sitting based on the same volition as the lower House. Thereby, they would not have to be elected. Thereby, they would not have to appeal to voters for the same reasons. They could therefore potentially have a longer range vision, a longer view. What had happened, even in Upper and Lower Canada, was that the upper House ended up being a reflection of the lower House because the members were appointed by the politicians in the lower House.

3:40

So it was determined then that in Canada's first Senate the members of the upper House would be appointed by the Crown, and that's the essential difference in what has happened in the intervening years. The notion of the Senate being appointed by the Crown in 1867 meant that the allegiance of those in the upper House would be to the people of Canada with the longer range view and would, in fact, represent the provinces. The initial Senate was to represent the provinces in the upper House with a longer range vision.

Well, as members know, that is not what has evolved. That's not what's happened. That's not the case today. The upper House does not reflect the provinces. The upper House reflects people appointed from the provinces but whose allegiance is not to the province. It's to the federal government; it's to the central government. In Quebec Senators are elected representing various geographic regions, and they have a specific geographic region to represent. In the rest of Canada that's not the case.

The net result is that our upper House does not reflect the values that were envisioned for the upper House in 1867, nor does it reflect the values that are necessary today. Because it does not reflect the values, which is to be a representative of the regions or the provinces, we end up with legislation that is of interest to the heavily

weighted population centres as represented in the House of Commons but without the check and balance of the regions.

Let me give you an example. The famous gun registry is a piece of legislation that came as a direct result of an incident that took place in Montreal. It was the massacre at l'école Polytechnique, a disaster and a terrible thing. That raised the awareness of gun violence and, of course, gun violence and violence in general that we see on TV every day. A person by the name of Wendy Cukier in Toronto took up the cudgels, and she made it a political ambition, essentially, to have firearms removed from Canada as much as could possibly be achieved. The federal government of the day took this up as a very popular measure, and it was and is very popular in downtown Montreal, downtown Toronto, and in many urban centres across the country.

The difficulty is that Canada geographically is vast and diverse, and what may well be good for downtown Toronto and downtown Montreal is not necessarily appropriate in other regions of the country, either in Atlantic Canada or in the west or even in the north of Ontario.

So we need to have far more flexibility in our federation. We need to have a certain ambivalence within our Legislatures that provides for treating different geographic regions of the country and different interests differently because one size does not fit all in a country as broad and diverse as our country. That's why the Senate is so absolutely crucial to the future of our country. If we are not able to achieve balance in the country, we are not ever going to rid ourselves of the sense that there are those who are underrepresented or not represented, which results in a sense of not being part of the equation when matters of national importance are considered.

It's not going to be easy for us to continue to drive the agenda for a reformed Senate, and in fact it may not be a triple-E Senate that we eventually arrive at. Ted Morton, one of Alberta's Senators in waiting, has been circulating a paper which calls for a proportionally equal Senate, which, in his opinion, is better for Alberta and better for Canada and certainly would be a far easier sell to the other Premiers.

Now, through the Council of the Federation, in which our Premier will definitely and does have a leadership role, we do have now a unique opportunity to drive the agenda for Senate reform. In my opinion, Mr. Speaker, if we are to have a united Canada a hundred years from today as we are at the cusp of going into our hundredth anniversary of being a member of the Canadian family and Confederation, it will be because we have the courage to drive the agenda for Senate reform which will result in balance in the country even when no one else will listen, especially when no one else will listen. Because we have the opportunity, we also have the obligation to do so. If we do not, then I fear that a hundred years from today someone would be standing in this place, and we will not be addressing the Canada, the future that we could have if we do address it.

So, Mr. Speaker, I would encourage all members of this Legislature and indeed all Albertans to get behind this, to say that we will not rest until we have representation in the centre of governance, in the centre, that is equal to what we contribute to this country generally, faithfully as proud Canadians, but there is definitely a limit to our patience as being taken for granted.

Thank you, Mr. Speaker.

**The Acting Speaker:** Standing Order 29? Hon. Member for Edmonton-Glengarry, you are rising to ask a question?

**Mr. Bonner:** Yes. Thank you. Mr. Speaker, the hon. Member for Edmonton-Rutherford certainly has had a distinguished career not

only at the provincial level but also at the federal level. Under the current rules for gaining entrance into the Senate, hon. members in this country are approached by the Prime Minister and asked if they would certainly consider taking a seat in the Senate, and they have the option of then saying: yes or no. My question to the hon. member would be: if under the current rules he was approached by the Prime Minister of this country, would he accept an appointment to the Senate?

**Mr. McClelland:** Well, that's a fair question. I would love to be appointed to the Senate by the province of Alberta. I would love to be elected by the people of Alberta to represent the people of Alberta in the Senate of Canada. I can think of no greater honour. If that were to come, I would feel as honoured as every other person in this room. But given my background, given what I have said here today, given the aspirations of Alberta, given how important having Senators representing the province and not the political party or the Prime Minister of the day is, I think my duty to Canada supercedes that. I would with great regret have to say no.

If I ran and were elected by the people of Alberta and were put on a list and the Premier of the province of Alberta submitted that list to the Prime Minister, when in fact that list should be given to the Governor General and the Governor General should make the appointment, not the Prime Minister, then I would be most honoured to serve our country and our province in the Senate. That is the only condition.

**The Acting Speaker:** The hon. Member for Edmonton-Gold Bar. 3:50

**Mr. MacDonald:** Thank you very much, Mr. Speaker. It's a pleasure to rise and participate in the debate this afternoon on Bill 7, the Senatorial Selection Amendment Act, 2004. I think that if there were an election and for some reason or other the hon. Member for Edmonton-Rutherford were in that election, I would probably vote for him. I don't know if that's an endorsement he'd like to go too far with, but I would because I think he would represent this province and its people with distinction.

Now, certainly, we are in changing times in this country, and this whole issue of an elected Senate is an important issue. I find it ironic that at the same time as we're beating the drum here in this province for an elected Senate, we can't have elected regional health authorities. But we have talked about that in this Assembly before, and I won't say anything more in regard to that matter. [interjection] Now, some hon. member across the way has said, "Good," and I think it is odd that we can talk about democratic renewal in Alberta, but we can exclude this whole idea of having democratically elected regional health authorities.

There certainly are many issues to be discussed around citizen empowerment, legislative reform at the province level, electoral reform, election financing reform, and transparency in government that, in my view, go along with reform of the federal Senate. They all fit together in the same debate.

We heard a very good speech from the hon. Member for Edmonton-Rutherford on exactly the role of the Senate in the country. One of the things that I don't think has been discussed at length is the change that's occurred in this country as a result of the late Prime Minister Pierre Elliott Trudeau and his government bringing the Constitution home, so to speak. But there have been significant changes in the last 20, 25 years in this country. The Senate has not changed with those times. That's a fact. Are there regional disparities? There certainly are. There certainly are whenever you look at the west, Ontario, Quebec, and the Maritimes.



Are there reasons for western alienation because of the lack of senatorial appointments from Alberta? There certainly are.

When one considers what the original role of the Senate was, to be this chamber of sober second thought on legislation, well, it is my view that with the constitutional changes that were implemented in the last generation, the judiciary has taken over a lot of that role of sober second thought on legislative proposals. Legislative assemblies, the federal House of Commons: it seems to be almost routine to have the judiciary look at legislation from time to time to see if it is compliant with the Charter. That is why I say that there's such a change, and there has been a change in how the Senate works because some of the job, I think, that the Fathers of Confederation thought that the Senate should do has now been taken over by the judiciary.

That is one fact that I think has not come forward in the debate. It is the view of this hon. member that there has been a significant change, and that has not been reflected in the Senate. How do we change the Senate? That's a good question. It needs to be changed. It certainly does, and I support that. But is this the answer? I'm not so sure.

I don't think it is proper to look at the appointed Senators and say that they are not doing a very good job. I used to have a sort of really suspicious attitude towards the Senate, but I had the pleasure and the honour of going to a south side banquet hotel, the south side of Edmonton, and participated in an evening where many people from across this province had come to Edmonton and gathered to toast their success. Many of them were adults who had learned to read. One of the promoters of adult literacy in this country, one of the greatest promoters, is Senator Joyce Fairbairn. Now, I don't know if I'm allowed to say the Senator's name in this Assembly or the Senator from Lethbridge, but I would apologize to the House and to the Senator if I have said something wrong.

This Senator has gone out of her way to help Albertans who have for one reason or another failed to learn to read, and that one evening convinced me that there is a role for the Senate in this country. That is one member doing many, many good deeds. Senator Doug Roche from the city of Edmonton here: he's an independent member of the Senate, and he has many, many good views to present not only to Canadians but to international audiences in regard to international peace and homelessness.

We can't dismiss these people. They do very, very good work on behalf of not only this province but the entire country. In this debate I would urge all hon. members: please do not forget that.

In conclusion, Mr. Speaker, I would like to urge all members of this Assembly whenever we're discussing senatorial reform that we also should talk about democratic reform as well in this province and in this Legislative Assembly.

Thank you, Mr. Speaker.

**The Acting Speaker:** Standing Order 29 for questions?

**Mr. Lund:** Mr. Speaker, I listened very carefully to the hon. member's comments, and while he described the situation somewhat, I want to make absolutely sure that people recognize that when we talk about senatorial reform, we are not saying for one moment that the people that are there are the problem. The problem is the structure, the way it's structured and the way that people get there. So that's the problem. I wanted to make sure that that was on the table.

Listening to the hon. member, I wasn't able to really understand and know whether he believes that allowing the judiciary to be the so-called sober second thought is acceptable and that's the way it should be and also whether, in fact, the structure of the Senate is the

way it should be. So I would like to know the answers to those two questions. Is the judiciary to have the appropriate authority to overrule the elected people? Is that what the hon. member wants? Secondly, does he really want the Senate not to be elected?

**Mr. MacDonald:** Certainly, Mr. Speaker, it's up to individual respective parliaments whether they want to seek advice and guidance from the judiciary. It's not the other way around. So if there's no reason or if legislative assemblies or the House of Commons is not interested in seeking advice from the judicial branch of government, well, then, that's fine. They don't have to do it. It's not any case of judicial activism. It's just how we have over the last number of years had to have clarifications on the Charter. That's it.

As far as an elected Senate, a triple-E Senate, certainly I could live with a triple-E Senate. This side of the House has always been strong believers in a triple-E Senate and Senate reform, but we do not believe that this Senatorial Selection Act is the way forward. This is grandstanding. This is political posturing.

Thank you.

4:00

**The Acting Speaker:** The hon. Member for Edmonton-Rutherford. Asking a question?

**Mr. McClelland:** Thank you. I, too, echo the comments of the Minister of Infrastructure. It's not about the people that are in the Senate, many of whom are remarkable individuals and deserve to be there and do a wonderful job. It's the checks and balances.

The Member for Edmonton-Gold Bar brought in the notion of the Supreme Court. The Supreme Court, as members know, is essentially appointed by the Prime Minister. We have the phenomenon that the Prime Minister of the country could in fact be directly elected by the membership of a political party. So the leader of the party, who could become the Prime Minister, would not have a connection to the party or the militants but would have direct power outside of the Parliament. As it stands now, the Prime Minister appoints the Senate. So we have the judiciary. We have the Senate. There are no checks and balances in the Canadian system, which further concentrates power in the office of the Prime Minister, which may in fact lead to some of the problems we see today nationally.

I wonder if the Member for Edmonton-Gold Bar could answer that and say whether we would not be better as a country if the federation had provinces capable of offsetting the power vested in the centre.

**Mr. MacDonald:** Well, that's a very good question, Mr. Speaker, and the simple answer to that is that not only at the federal level do we have an extreme concentration of power by leaders. That also happens at the provincial levels as well. Perhaps in all this debate – and I don't see that anywhere – we should look at having term limits. If the hon. Member for Edmonton-Rutherford were, for instance, to be Prime Minister of this country or to be a Premier of this province, perhaps eight years is enough. Maybe we should look at term limits for leaders of this country and the provinces so that there is not this concentration of power in one or more offices.

**Mr. Lund:** Well, Mr. Speaker, the member is still dancing around the question that we're asking and trying to get him to commit to, but I want to also suggest to the member that under our current Premier if anybody thinks that all the power is invested in the office of the Premier, then certainly they don't know the inner way that our government works because all members have the opportunity . . .

**The Acting Speaker:** Hon. minister, regrettably the five minutes that's allocated for this portion has run out.

Anybody else who wishes to participate in the debate may do so now.

The hon. Minister for International and Intergovernmental Relations to close debate.

**Mr. Jonson:** Yes. Thank you, Mr. Speaker. First of all, I'd like to commend those people that have engaged in the debate because it is, in the view of the government of Alberta, a very, very important topic, particularly in these times when the whole position or place of the province is undergoing a review under the hon. Member for Edmonton-Rutherford's capable chairmanship.

It's also a time in which across the country, both at the provincial and federal levels, there's interest in parliamentary reform and in government reform. The bill, of course, as members of this Assembly have already rightly pointed out, is a very basic, mundane bill, I suppose you could say, but an important one, extending the timelines for legislation we've had in place for a number of years, and was something that was established to provide a framework for moving ahead on Senate reform.

We acknowledge the various suggestions, recommendations, and comments that have been made in favour of Senate reform and there being, of course, a great deal more to bring about true Senate reform which would be operational in this country, but right now, Mr. Speaker, we are simply extending this legislation to keep in place the mechanism that would allow us to become involved in the selection of Senate representatives for Alberta. This is not the end of the government's interest in Senate reform by any means. It is merely keeping in place one measure which we think is necessary for the overall work on Senate reform and improving the overall governance of our country federally on into the future.

Thank you, Mr. Speaker.

[Motion carried; Bill 7 read a second time]

### Bill 8

#### Blue Cross Statutes Amendment Act, 2004

**The Acting Speaker:** The hon. Member for Calgary-Lougheed.

**Ms Graham:** Thank you very much, Mr. Speaker. This afternoon it is my pleasure to move for second reading Bill 8, the Blue Cross Statutes Amendment Act, 2004.

The proposed changes contained in this bill are based on the final report of a committee that I chaired in 2002 which reviewed Alberta Blue Cross, and it had a name, the Alberta Blue Cross Review Committee. It was a report to the minister, and I think it has now been distributed but not by the minister. It was a report internal to government. It had one external consultant working with the committee, and departments which were represented on the committee were Alberta Health and Wellness, Alberta Finance, and Alberta Revenue, and I was the sole MLA participating in the review.

Prior to describing the amendments proposed by this bill, I would like to just briefly give a backdrop to this review. Mr. Speaker, one of the reasons the review was called for was concerns which had been expressed that the private health insurance plans of Alberta Blue Cross might be subsidized by surpluses that had been generated through the operation of Alberta Blue Cross's Alberta government plans, and it was argued that this subsidization, if it existed, provided an unfair advantage to Alberta Blue Cross which other insurance companies operating in the province which were selling products similar to Alberta Blue Cross in the realm of private health insurance plans only did not enjoy.

The basis for these concerns was basically twofold; firstly, that

Alberta Blue Cross is exempt from the payment of the 2 per cent premium tax under the Alberta Corporate Tax Act, which is the case. All other insurance companies in the province must pay this tax on their accident and sickness insurance premiums that they receive during the tax year. Mr. Speaker, the products where private insurers and Alberta Blue Cross would be competing are those programs which are called subscription rate programs, which provide supplementary health benefits for small employer groups, for individual plans, and also for travel insurance plans. So it was the recommendation of the committee that this advantage be removed because it was found to in fact be an advantage operating to the benefit of Alberta Blue Cross not enjoyed by private insurance companies.

The second basis for concern was that as Alberta Blue Cross is a not-for-profit entity, it is exempt from the payment of federal and provincial income taxes, and this means that Alberta Blue Cross can reinvest its entire surplus in any given year as it sees fit, whereas a taxable company in the same business can only work with its surplus net of tax to reinvest.

#### 4:10

Now, it was the committee's recommendation that, in fact, Alberta Blue Cross retain its tax-exempt status for other reasons, those other reasons being that as Alberta Blue Cross is a legislated entity, it does have legislated mandates, one of which is to participate in programs – to initiate them, own them – that benefit the health of Albertans, and in fact Blue Cross does participate in programs such as the tobacco reduction program and others of that nature, which do represent a cost to it which private insurers don't have to be concerned about. However, it was the decision of this government to go with the option of removing that tax-exempt status and requiring Alberta Blue Cross to in effect pay tax through the payment in lieu of tax program.

That, Mr. Speaker, is the backdrop to this bill, and what the amendments in this bill do is level the playing field between Alberta Blue Cross and other private providers only on private insurance programs, which represent roughly 15 per cent of Alberta Blue Cross's customers.

Just to summarize then, the main amendments of the bill have the effect of removing the tax-exempt status of Alberta Blue Cross and establishing the payment in lieu of tax program for it in recognition of federal and provincial income taxes and, secondly, requiring Alberta Blue Cross to commence paying a premium tax of 2 per cent, but I reiterate that this is just on its private insurance programs. It is hoped that the concerns that have been raised about the corporation enjoying a competitive advantage will now be adequately addressed.

At the same time, this bill also provides amendments which protect the government-sponsored Alberta Blue Cross programs for the benefit of Albertans, and it does this by clarifying the definition of the scope of the Alberta Blue Cross plan so that in the future the Alberta Blue Cross Benefits Corporation, which operates the Blue Cross plan, is not in any position to expand its operations or its products into types of insurance which would expose the corporation to significant risk, and it does this by defining the plan basically as it stands now. So the status quo is maintained, and new insurance products cannot be readily added to its inventory that might put its subscribers at risk.

Mr. Speaker, there are also amendments contained in this bill which address corporate governance standards. The act establishing the ABC Benefits Corporation was basically silent on the duties of care for directors and officers and the duties of the board. This has been addressed in the bill by establishing such duties, which are consistent with those found in our own Alberta Business Corpora-

tions Act, and these amendments should give assurance to Albertans that the corporate governance is up to date and in accordance with our current standards.

Before taking my seat, Mr. Speaker, I would like to recommend the report to anyone who wants to learn more about Alberta Blue Cross. It is certainly an impressive organization which does its job in administering government-sponsored programs very well. It also provides other good services to Albertans by engaging in activities which support the Alberta government regarding health care issues and policy issues, and I would like to reiterate yet again that this bill and its amendments, which relate to the payment of income tax and premium tax, relate to a narrow portion of the business of Alberta Blue Cross, as I mentioned, 15 per cent of its customers.

The other 85 per cent of Alberta Blue Cross business is administrative services only business with respect to prepaid supplementary health plans and services. This, Mr. Speaker, consists in the main of the Alberta Health and Wellness sponsored supplemental health care coverage for seniors, widows, and nongroup members and also the Alberta Human Resources and Employment sponsored programs, being the child health benefit and income support programs. These are administered by Alberta Blue Cross on a cash flow basis for the government of Alberta, which pays an administrative fee by agreement for that service provided by Blue Cross.

These are my comments on second reading, Mr. Speaker, and I look forward to any debate that may be forthcoming.

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

**Dr. Taft:** Thank you, Mr. Speaker. I can assure the hon. member that there will be debate forthcoming.

This is a bill that the opposition will strongly oppose. We've already had a number of calls on this. In fact, I had an urgent call yesterday from a representative of a major group who was quite unhappy with this whole trend represented through this bill.

I listened to the comments from the previous speaker, and I appreciate her candour, and I'm sure we'll go back and forth on this one. There are a number of concerns that we would raise with this bill, and maybe through the course of debate the concerns will be allayed, but I'm not expecting that to happen. I'll keep my mind open.

One of the principles that is at work through this bill is the notion of levelling the playing field so that all providers of health insurance are on an equal footing. The problem I have with the way this process is going is that the playing field is being levelled in the direction of getting more expensive rather than less expensive. In other words, we're taking the lowest cost provider, and we're adding to its expenses to level the playing field. We're doing that through forcing Alberta Blue Cross to make a payment in lieu of taxes and also to pay the premium tax.

I guess I just cannot understand why we would do that. Why would we artificially add to the cost of an insurance company rather than celebrate it? Why not be delighted that we have a lower cost, homegrown, Alberta-based insurance provider serving not only seniors and all kinds of other people but serving many small businesses. We should be celebrating and strengthening that low cost service rather than artificially adding to its costs.

One of the things that I realize is going on here is that we're taking, as I say, a homegrown, Alberta-based major organization that's very successful, and we're giving it a disadvantage so that its main competitors, which are big international insurance corporations, will have a benefit. Where's the Alberta advantage in this? It's certainly not to Albertans. It's not to Blue Cross. It's not to

their subscribers. It's to the big multinational insurance industry, which seems to have enormous sway over this government.

4:20

Indeed, it has such sway that I can't help thinking of another issue that's brought to the surface by this, which is the need for a lobbyist registry. It has become evident – and I will stand to be corrected, but I have not heard any of that correction so far – that the chair of this committee overruled the committee members and, in fact, required these changes to be made, changed the committee members' consensus recommendations that Blue Cross not be penalized, and brought in the recommendation that Blue Cross be penalized because she was lobbied by the insurance industry.

If that's the case – and I've not seen anything to contradict that; in fact, that's been reported and published and repeated, and as far as I know, there are no denials – it's just shocking. It's just shocking that we are prepared to not only go against a homegrown Alberta organization like Blue Cross, not only add to the cost of the small businesses that rely on Blue Cross for the services, but in fact overrule the members of a committee advising the government just to please the multinational insurance companies. What's happened to this government? Who are they in touch with any more? It's remarkable. So this is yet another example, I think, very much of the need for some kind of lobbyist registry. We need to know who's talking to MLAs and who's influencing them because clearly they're wielding a lot of influence despite due process.

This bill also illustrates yet again the failure of for-profit health care delivery corporations to be competitive. I mean, if the myth had some truth in it, that for-profit health care corporations were the most efficient, effective organizations around, they wouldn't need this bill. They'd be able to beat that clumsy, old, nonprofit Blue Cross hands down. Why would they need this benefit?

Well, the fact is that the idea that the private, for-profit industry is always more efficient is, in fact, nonsense. Sometimes they are. Many times they are. Many times market forces work but not always and especially not in health care. This bill simply confirms that premise, and I'm afraid we're going to see this same premise played out over and over and over again as we see more and more private providers brought into the health care system or, indeed, into other P3 systems. We will either see public standards lowered, whether it's in the provision of insurance or the building of highways or the construction of public buildings, where we're seeing trends toward lower standards, or else we will see costs escalated, which we're seeing played out here.

So this is a bill with nothing – nothing – in it of benefit to Albertans. What's the benefit in this to Albertans? Let me ask you that. Let me put it to you that way. Who's going to benefit? Is it the so-called Martha and Henry people of this province who this government's so happy to refer to? No. It's the big shareholders of the multinational insurance companies who will benefit at the expense of Albertans. This is a shameful piece of legislation as far as I can see.

It goes from there to other problems. The legislation, as I understand it, will limit the product lines that Blue Cross will be able to offer. Why would it do that? Well, the previous speaker said it's to limit the risk that Blue Cross will take. I suspect that it's to limit competition in the marketplace.

Again, what we're doing by this is sidelining one of the most effective, credible, trusted providers of health care insurance in this province to open up the market from here on through eternity to big multinational insurance companies. If they're so darn effective and if Blue Cross is going to be saddled with a payment in lieu of taxes in the premium payment, why not let them go head-to-head? Why

are we so frightened of competition on this basis that we have to keep Blue Cross leashed? It's a sad commentary on the state of mind of this government.

So, Mr. Speaker, you can tell that I'm going to be opposing this piece of legislation, and I think we all will be. I might as well warn government members now that we'll be calling for a standing vote on this because we'll want all small businesses in this province who are going to be facing higher costs to know who stands on what side of this issue. [interjections]

So, Mr. Speaker, I'm getting lots of heckling. We'll obviously stir up debate. I look forward to engaging in that debate. I will take my seat.

Thank you.

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

**Rev. Abbott:** Standing Order 29(2)?

Mr. Speaker, I have a question for the hon. Member for . . .

**The Acting Speaker:** Hon. member, the question period begins with the third speaker and thereafter, so it doesn't apply to the second speaker.

**Rev. Abbott:** I'm sorry.

**The Acting Speaker:** Anybody else wish to speak on the bill?

The hon. Member for Calgary-Lougheed to close debate.

**Ms Graham:** Thank you, Mr. Speaker. I expected that there would be more debate forthcoming.

I would just like to say this in response to the comments made by the Member for Edmonton-Riverview when he asked us why we would be doing what we are doing to level the playing field by requiring Alberta Blue Cross to pay the premium tax and to pay income tax on its private insurance. Basically, why we are doing that is that, well, firstly, our government does not believe that we should be in the business of competing with private business wherever possible. But Alberta Blue Cross has evolved over many years and has gotten into the provision of private insurance programs.

So rather than saying, "you're out of that" and "you can't provide that," we're basically freezing the situation with the status quo. But we are saying that where you compete with private business, you will be on the same level and you will not, government-linked agency, have special benefits that will give you a leg up on companies operating in this province. That's our philosophy. I think it's the correct one. That in a nutshell is why we are doing what we are doing.

In the other remark that was made by the member, he gives me credit for single-handedly changing the recommendations of this committee report. I think he forgets that this was a report to the minister, that this is a government bill, and that, certainly, anything that we do is a decision by caucus and it's certainly not the decision of one backbencher from Calgary-Lougheed. So I think you give me much more power than I had. I could see the arguments on either side of the issue, and there were certain people on the committee that felt that there were good reasons for retaining this tax exemption status. I happen to be one who believes that this is the proper way to go, and I think obviously the majority of our caucus does as well. That's why we're doing what we're doing.

With that, then, I'd call for the question.

[Motion carried; Bill 8 read a second time]

4:30

**Bill 9  
Prevention of Youth Tobacco Use  
Amendment Act, 2004**

**The Acting Speaker:** The hon. Member for Calgary-Lougheed.

**Ms Graham:** Yes, Mr. Speaker. I'm also pleased this afternoon to move second reading of Bill 9, the Prevention of Youth Tobacco Use Amendment Act, 2004.

Prior to talking about the principles of this bill, I'd also like to talk a bit about its background. Members will no doubt remember that in 2002 this government launched a strategy to reduce tobacco use by all Albertans. A major focus of the strategy was to prevent young people from starting to use tobacco in the first place.

In that context, Mr. Speaker, in April 2003 the Prevention of Youth Tobacco Use Act was proclaimed, which has as its aim to protect young people from the health risks of tobacco. This act was the result of the work of the Member from Wetaskiwin-Camrose, who introduced this as a private member's bill and who has been through his work as former chair of AADAC a very dedicated proponent of antismoking strategies in this province.

In any event, Mr. Speaker, this law made it illegal for anyone under the age of 18 to use or possess tobacco in a public place, and under the act police officers have the authority to issue violation tickets to offenders with a fine of \$100 or to seize tobacco products from any minor found using or in possession of tobacco products. But since the act was proclaimed last spring, it has become evident that greater clarity is required in this law to ensure that the act is not applied where and when it wasn't intended and to also make it easier to enforce in court.

So the amendments in Bill 9 and the purpose of Bill 9 are to accomplish three main things: to allow for regulations to be developed to define necessary exemptions for youth to possess or use tobacco in very limited circumstances and for limited purposes, a second purpose is to provide a broader definition of a public place where the act can be enforced, and the third purpose is to establish evidentiary rules for use in prosecuting infractions in court, including the use of certain inferences and the use of certificates of analysis.

Mr. Speaker, the need for exemptions for use or possession of tobacco by minors are these. Aboriginal youth who participate in the ceremonial use of tobacco will be permitted to do so. This affects a very limited number of youth and for very sacred and culturally sensitive purposes for which it has been deemed suitable to exempt this particular use. As well, exemptions will allow young sales clerks to sell tobacco in the workplace without defying the law. If they are under the age of 18 and working in the local Mac's store, they will be able to in fact sell these products without being in contravention of the law. As well, these changes will allow minors to participate in routine sting operations used by Health Canada to test retailer compliance with federal law that makes it illegal to sell tobacco products to minors. So for these very limited purposes these exemptions are seen as being useful and necessary.

As well, Bill 9 will expand the definition of a public place to include a vehicle which is in a place or building deemed to be a public place and also to include other places or buildings which are so designated in regulation.

Mr. Speaker, Bill 9 is needed to help strengthen a law that has been designed to help protect our young people from the health risks of tobacco, and it will also advance our progress in our tobacco reduction strategy by supporting reduced use of tobacco by youth. I do hope all members see their way clear to support these amendments.

Thank you.

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

**Dr. Taft:** Thank you, Mr. Speaker. [interjection] I'm glad everyone's so excited to hear from me again.

Actually, this bill is in many ways commendable in its spirit, and I have many times encouraged the government and congratulated the government for some of their work on tobacco reduction. I'm sure we all realize the dangers of tobacco use. It's an unusual product in that there's no way to use it safely. Even when you use it according to directions, it's bad for your health. That sets it apart from all kinds of other products that are dangerous when they're overused but are quite safe when they're used in moderation. Of course, the health hazards of tobacco from cancer, which we all know about, heart disease, many, many other problems are well known. So any effort that this government makes to reduce tobacco use is to be commended, and we commend the thrust of this legislation.

That being said, it may be time to actually carry this somewhat further. Alberta, if I'm correct, is unusual in not having comprehensive tobacco control legislation. Most other provinces, I believe, do. In fact, it may be the case that all other provinces do. What we're seeing here in Alberta, while some of it's commendable like the very substantial increases in tobacco taxes last year, is a piecemeal approach. That's what we're seeing Alberta, a piecemeal approach to this problem and then piecemeal corrections and piecemeal shifts.

In the fall there was actually a bill that I spoke strongly against which gave the cigar industry in Alberta a tax break. Well, that's completely the wrong direction to go. That's a significant step backwards. I wouldn't have thought that the cigar industry in Alberta was large enough to mount an effective campaign to get its tax reduced, but I guess it is or that certainly they were able to push the right buttons. So that was a step backwards in the fall.

We had a big step forward a year ago in the spring, and this is something of a step forward too, I think, but as I say, it's all piecemeal, and what we could really benefit from in this province would be comprehensive tobacco control legislation. In fact, there's a kind of irony here in that tobacco is not an Alberta-based industry at all. I'm not aware – maybe the minister of agriculture can correct me – that there's any tobacco grown in this province. We have an out-of-province industry and in many ways an out-of-country industry that we're allowing to come in and claim thousands of lives a year, so I would certainly encourage a stronger stance on this.

The idea in this bill of broadening the definition of a public place for the purposes of enforcement is, I think, a good idea. That's the way to go, and we'll continue to go in that way. Some of the exemptions that are being brought in to the bans on who can possess tobacco and at what age I don't see as a step forward at all. I think we need to stay tough on those kinds of issues. Providing exemptions for people under the age of 18 to possess tobacco because they might work in a convenience store where it's sold doesn't sustain our pressure on containing tobacco use, and I think we need to sustain and increase that pressure.

4:40

There's also, of course, the problem with every law, and that is: how is it going to be enforced? This bill will only be as good as the enforcement behind it. We already know, of course, that our police forces, which struggle so much for funding, are overworked, and they're not going to be seeing this as a top priority. We may see some other kinds of enforcement that, in fact, may be facilitated by this bill. Having underage people pose and go in and try to buy tobacco and if they succeed, they'll be able to blow the whistle on the retailer: that's been used in the past, and that sort of thing is effective. But are we going to see the resources for that continued

and expanded? If there was one thing we could do genuinely to help the sustainability of our health care system, it would be to reduce tobacco use.

There are many other comments we'll be making on this bill. A lot of it will come once the legislation is in committee. I would, however, make one final point here, which is the value of education in reducing tobacco use as opposed to the value of punishment. I'm certainly not afraid of there being punishment when people break the law or do things they shouldn't be doing, but in this particular case I think we need to remember that education is the best way to go about reducing this problem and catching children and young adults before they get hooked on tobacco. Strong public awareness programs, strong prevention programs, strong education programs are crucial, and the more we have to punish, the more it's a sign that our prevention programs have failed. So while punishment will need to be there and we don't want to lose that, we also want to encourage AADAC or the department of health or whoever else is prepared to do it to spend effort on education and prevention.

Again, if we had comprehensive tobacco control legislation, we could address all of those things at once. We could address issues of pricing and issues of supply, issues of education, issues of punishment, issues of control, and so on all in a single, comprehensive tobacco control bill. We're not going to see that, and that's disappointing, but maybe we can bring in some amendments and improve this bill. Maybe we'll try that.

So I appreciate the rapt attention of the other MLAs on this particular discussion and look forward to other debates. Thank you.

**The Acting Speaker:** The hon. Member for Wetaskiwin-Camrose.

**Mr. Johnson:** Thank you, Mr. Speaker. I'd like to take this opportunity to briefly speak to Bill 9, the Prevention of Youth Tobacco Use Amendment Act, 2004, and also to thank the hon. Member for Calgary-Lougheed for bringing forth this bill, which is an amendment to the Prevention of Youth Tobacco Use Act.

Keeping our kids tobacco-free is at the heart of the government's tobacco reduction strategy, which we've been developing over the last probably two or three years. The key to a healthy future generation lies in educating our young people about making good choices in life and taking responsibility for their health.

Mr. Speaker, it would be ideal if no one used tobacco. Every year 3,400 Albertans die from tobacco-related illnesses. Tobacco use is also estimated to cost this province almost \$1 billion in lost productivity each year. Our tobacco reduction strategy, which I guess we all know is managed by AADAC, aims to reduce the smoking rate by as much as a third over the next 10 years. Getting that message to teens and adolescents is critical in how successful we will be.

Aside from raising awareness about the health dangers of tobacco, stronger action is required to prevent children from starting to use tobacco. Mr. Speaker, proclaiming the Prevention of Youth Tobacco Use Act in April of 2003 was part of our work to do just that. This law is central to Alberta's tobacco reduction strategy and deliberately targets young people. It sets a clear expectation for children and youth in regard to tobacco use. Statistics show that if young people do not start smoking before they are 20, they are unlikely or, certainly, less likely to start at all. By making smoking illegal for young people, the act is helping to make tobacco less normal and less acceptable as a choice for young people.

Mr. Speaker, Bill 9 provides the amendments required to make the law a stronger tool in reaching a tobacco-free generation. Our focus is getting people to not use tobacco, and the best place to start is with our children. I believe this amendment strengthens our legislation. Once again, I would like to thank the Member for Calgary-Lougheed

for bringing forward Bill 9 before the House today. I would certainly suggest and ask that this House support Bill 9 to ensure that this law can be effectively enforced.

Thank you, Mr. Speaker.

**The Acting Speaker:** Standing Order 29?

The hon. Member for Edmonton-Glengarry.

**Mr. Bonner:** Thank you very much, Mr. Speaker. I do welcome the opportunity to speak to Bill 9, the Prevention of Youth Tobacco Use Amendment Act, 2004. I would like to commend the Member for Calgary-Lougheed for bringing this forward. I think that we don't have to go any further than to look at recent settlements in the United States, billion-dollar settlements against tobacco companies, to realize the huge impact that they do have on the health of our society.

I also agree with all other members that have spoken who indicated that what we do need is comprehensive tobacco control legislation in this province. Certainly, one of the areas that I look at in making that statement is that if we compare the smoking rates in Alberta according to the Canadian tobacco use monitoring survey, we see that the rates from 2002 to 2003 overall have dropped 2 per cent, from 23 per cent to 21 per cent. In the age group of 15 to 19, which would be most affected by this particular piece of legislation, we had a reduction of 4 per cent, from 20 to 16 per cent. However, in the age group which would not be affected by this legislation, that rate has increased from 27 per cent in 2002 to 36 per cent in 2003. So I see that while, certainly, a very good place to start is with minors, we also have to make a concerted effort in the age groups 20 to 24 and 25 to 44, where we are getting increases in the rates of smoking among people in our society.

Now, the other thing that always struck me as odd was driving by the high schools in my constituency. High schools and junior highs and whatever have a no-smoking policy in their schools now so that anybody wishing to smoke, teacher or student or janitorial staff or any of the staff, cannot smoke inside the facility. So it was quite odd to see teachers out on the sidewalk smoking with the students. I think that this is a great piece of legislation that is aimed at a particular group and at that group that would be in those high schools, but again it doesn't say anything for the example that we are setting amongst adults with these youth.

4:50

I think we can even take this one step further. If, in fact, we are truly looking at enforcing a reduction in tobacco use in this province and we want to lead by example, then certainly one of the places we can start is right here in this building, where members are allowed to smoke. I would certainly like to see the Legislature Building of Alberta a smoke-free facility. When we look at the money that was spent in our cafeteria alone, downstairs, to separate smokers from nonsmokers, then certainly a good place for us to start is right here.

Mr. Speaker, if we are bringing in legislation of this nature, then certainly for it to be effective, there must be some type of strong enforcement; otherwise, the act itself is meaningless. I also agree with other members who have spoken here who said that this tends to be a punitive piece of legislation which is aimed at the youth of our province and certainly that an aggressive prevention and education policy would be far more effective.

We had a visitor in this Assembly a year and a half ago, I believe. I forget the exact date. Barb Tarbox had certainly made a plea to all the youth in Canada and done such a magnificent job in promoting nonsmoking and in promoting the effects of smoking and how it can

not only impact your own life but impact those loved ones around you.

Certainly, Mr. Speaker, this is a bill that I agree with. I think it's got us moving in the right direction. I think there are so many more things that we could also do. I would urge all members of the Assembly to vote for this bill.

Thank you.

**The Acting Speaker:** Standing Order 29?

The hon. Member for Calgary-Bow.

**Ms DeLong:** Thank you very much, Mr. Speaker. I'd like to speak to community support for Bill 9, the Prevention of Youth Tobacco Use Amendment Act, 2004. We have already heard that Bill 9 will help to provide new efficiencies in how we can prevent tobacco use by children. These amendments will allow for new regulations to provide reasonable exclusions to tobacco use and possession by youth and better define public places where the law can be enforced.

Mr. Speaker, I'd like to remind this House that Alberta was the first province in Canada to introduce legislation that makes it illegal for youth to use or possess tobacco. The Prevention of Youth Tobacco Use Act was introduced in response to society's growing concern about the increasing rate of children smoking in Alberta. In Alberta 85 per cent of smokers began smoking before they reached their 16th birthday.

I know that when I've talked to my colleagues around the House, I tend to be the exception in that I'm one of the few people who have never had to quit smoking. I never started smoking, so I've never had to quit smoking, but I have watched my friends and colleagues go through the horrible withdrawal symptoms of actually having to quit. So anything that we can do to cut it off early in terms of people not having to go through that horrible process of having to quit.

By making smoking illegal for young people, the act is helping to decrease the chances that children will try tobacco, become addicted, and become lifelong smokers.

Mr. Speaker, these amendments have wide support. Members of the Aboriginal Tobacco Use Steering Committee were consulted and suggested changes that will help to reduce recreational tobacco use in the aboriginal community. Bill 9 also reflects discussions with Alberta Justice, the Alberta Gaming and Liquor Commission, and the Alberta police chiefs.

Mr. Speaker, there is support for Bill 9. I now ask this House to support Bill 9 to prevent tobacco use by children and reduce the smoking rate in Alberta.

Thank you very much, Mr. Speaker.

**The Acting Speaker:** Standing Order 29. Any questions? Anybody else wishing to participate in the debate?

The hon. Member for Calgary-Lougheed to close debate.

**Ms Graham:** Thank you, Mr. Speaker. I have no further comments at this time and would ask you to call the question, please.

[Motion carried; Bill 9 read a second time]

## Bill 6

### Income and Employment Supports Amendment Act, 2004

[Adjourned debate February 24: Mr. Lukaszuk]

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

**Mr. Lukaszuk:** Thank you, Mr. Speaker. Indeed, it's a pleasure to speak to this bill. The bill was moved yesterday in this Chamber, and it is bringing an overdue amendment which will definitely make the work of this government much easier and much more effective when enforcing child maintenance orders which are presently on the books and which very often are quite difficult to enforce.

Mr. Speaker, I don't believe that there is one member in this Assembly who in his or her constituency work has not received a number of phone calls from custodial parents indicating that somewhere out there, hopefully in the province of Alberta, is the noncustodial parent against whom a maintenance order has been granted by one level of court or another; however, the custodial parent is having great difficulty enforcing that particular order and collecting on the order for the benefit of the children simply because individuals are either difficult to locate or perhaps their employment activities are not known to the custodial parent.

The child maintenance enforcement program in this province, I would argue, is very effective, and it's doing all that it can to assist those parents, particularly through the assistance of the Human Resources and Employment department with their low-income programs. A great degree of assistance is offered to a custodial parent in their ability to collect on maintenance orders. However, the system is not perfect, but it is aiming at improving itself. Bill 6, indeed, is one large step in that direction.

Mr. Speaker, what Bill 6 will allow the department to do in their effort to assist custodial parents is to be able to avail itself with information on noncustodial parents and their whereabouts and their employment activities by way of either contacting friends, family members, or those who happen to know the noncustodial parent or by way of collecting information by simply receiving reports about the noncustodial parent and not having to release information to the noncustodial parent of who it was that informed the department of his or her whereabouts. This is a magnificent tool because, as you can appreciate, in the real world outside of this building, even though many Albertans may believe that it is not only a legal responsibility but a moral responsibility for every noncustodial parent to pay maintenance for his or her children, when it comes to actually reporting that individual to a government department or to the custodial parent, there is some hesitation, because if that information is then released to the noncustodial parent, relationships may suffer and personal repercussions between individuals may take place. Well, this bill addresses amending that and will ensure the security of information for those who are courageous enough to come forward or who co-operate in an investigation effort.

5:00

The benefits, Mr. Speaker, are immeasurable. Number one, there are many low-income families in Alberta, as you know, who simply

need those dollars, who need the assistance for raising their children. Obviously, the court orders have been ordered by judges, are deemed to be just, yet the enforcement of them very often is so difficult, and the dollars are so badly needed in those families. So, Mr. Speaker, anything that we can do in assisting those single parents in collecting those dollars for the children is, I imagine, much appreciated by the single parents.

Perhaps equally importantly is that many of those single parents who are not now in position to obtain the dollars that they so badly need are unfortunately forced to rely on taxpayers' assistance through our variety of low-income benefits. Indeed, it is our responsibility as government to take care of those who can't take care of themselves, and very often we do. As you know, a very large portion of our previously known SFI – supports for independence, now Alberta Works – recipients are single parents, primarily, unfortunately, single moms who do need those dollars. Now, by being able to collect the duly ordered child maintenance, the cost of supporting those individuals who are now receiving government benefits will be offset by the amount of dollars that are being collected. So not only is there a benefit to the parents, there is also a benefit to all of Alberta's taxpayers because simply they will be burdened by a lesser cost of providing low-income benefits.

Lastly and, I would argue, perhaps most importantly, the benefit is not only financial, but it's a benefit of justice. There is an inherent responsibility on any adult who is a parent to support his or her children, whether they are in a marriage or outside of a marriage, and I don't think anyone is absolved of that responsibility simply by the dissolution of a marriage. Therefore, this bill will allow our government and the Department of Human Resources and Employment to enforce that responsibility and to remind those out there who don't believe that they are required to pay child maintenance payment of that responsibility that has been placed upon them by the courts.

So I would urge all members of this Assembly to support this bill and to assist those who are right now awaiting receipt of those dollars, to support this government and all the single parents out there who are seeking that particular support.

Thank you.

**Mr. Hancock:** Mr. Speaker, I'd move that we adjourn debate.

[Motion to adjourn debate carried]

**The Acting Speaker:** Hon. Minister of Learning, are you rising?

**Dr. Oberg:** I am, Mr. Speaker. I would move that we adjourn until 8 o'clock this evening.

[Motion carried; the Assembly adjourned at 5:05 p.m.]

