

## Legislative Assembly of Alberta

Title: **Thursday, March 11, 2004**

**1:30 p.m.**

Date: 2004/03/11

[The Speaker in the chair]

head: **Prayers**

**The Speaker:** Good afternoon.

Let us pray. We give thanks for our abundant blessings to our province and ourselves. We ask for guidance and the will to follow it. Amen.

Please be seated.

head: **Introduction of Visitors**

**The Speaker:** Hon. members, I'm pleased today to introduce a distinguished Canadian and former resident of Alberta who has just completed a challenging and often dangerous mission in Kabul, Afghanistan. In the Speaker's gallery is Major General Andrew Leslie. He's a former deputy commander and the senior Canadian officer in the International Security Assistance Force.

He and his fellow soldiers brought peace and order within their area of responsibility. Beyond that, they laid a strong foundation for an increasing respect for the rule of law. This was achieved at some cost. Canadian soldiers were killed during the course of their duties with the ISAF in Afghanistan.

He has served his country at home and abroad for nearly 25 years. While on his disembarkation leave, he has undertaken a speaking tour of Alberta and British Columbia in order to acquaint Canadians with a better understanding of the complexities of operations in Afghanistan and to raise the awareness of the superb work that men and women of our armed forces do on our behalf.

General Leslie and his wife, Karen, are in the Speaker's gallery, and I'd ask them to rise and receive the warm welcome of the men and women representing the people of Alberta.

head: **Introduction of Guests**

**The Speaker:** The hon. Minister of Municipal Affairs.

**Mr. Boutilier:** Thank you very much, Mr. Speaker. It's my pleasure today to introduce to you and to members of the Assembly guests who are touring the Legislative Assembly. Six of these guests have just completed their 2003-2004 municipal internship program, which is a valuable program sponsored by Alberta Municipal Affairs in partnership with Alberta municipalities.

I'd ask the members to stand when I call their names. These are municipal managers of the future. From the town of Whitecourt we have Hong Liu, from the city of Spruce Grove, Sarah Robbins. From the town of Innisfail we have Carey Keleman. From the town of Taber we have Angie Keibel. From the town of Bonnyville we have Crystal Kwiatkowski. From the county of Grande Prairie we have Bryce Stewart. Also joining them today are members of the Municipal Affairs staff: Terry Brown, Wendy Peters, Mary Jo Lauder, and Helen Chow. Again, I'd ask them all to stand and to receive the warm welcome of the Assembly.

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

**Mrs. Ady:** Thank you, Mr. Speaker. It gives me great pleasure to introduce to you and through you to members of the Assembly a great group of students from the Trinity Christian school. I'd like to

welcome the students, teachers, and parents, in particular their teacher Mr. George Graffunder, parent helpers Kent Blanton, Chris Mellenberg, Carol Nudd, Susan Kist, Barbara Barwich, Michelle Karperien, Kathleen Lefevre, and last but not least, Pat Lagore, who is a former EA in the Legislature, as well as her husband, who was instrumental in helping our Speaker actually enter politics. So if they would rise, I'd like them to receive the special welcome of the House.

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

**Mr. Marz:** Thank you very much, Mr. Speaker. It's my pleasure to introduce 35 grades 5 and 6 students from Dr. Elliott school in Linden, Alberta. They've taken advantage of a beautiful day to make the trip, and they are accompanied by quite a number of parents.

First of all, I'd like to introduce the teachers, Mrs. Sherri Hempel and Mrs. Mary Hughes. The parents that are accompanying them are Mr. Ken Boekema, Dan Colyn, Mrs. Arlys Davis, Mrs. Caroline Dyck, Mrs. Dorothy Edgecombe, Mrs. Donna Esau, Mrs. Irene Griesbrect, Mrs. Char Howe, Mrs. Caroline Kung, Mr. Ken Leinweber, Mrs. Helena Ratzlaff, Mr. Darryl Toews, and last but not least and also a municipal councillor with the county of Kneehill, who ended up taking a job I used to have, Mr. Murray Woods. So I'd ask them to stand and receive the warm welcome of the Assembly.

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

**Mr. Maskell:** Thank you very much, Mr. Speaker. It's my pleasure to introduce to you and through you to members of this Legislature 15 friends of mine seated in the public gallery. They are members of the West End Seniors Activity Centre, an organization nearly 1,000 strong helping seniors remain active and vital. My guests include group leader Pearl Figol, Lila Lougheed, Laverne Filips, Rose Boucher, Edna Jolly, Joan Jackson, Gloria Campbell, Phyllis Krucik, April Eltom, Elizabeth Clare, Derek Clare, Dorothy Chester, Jean Miskew, Marie Prezanowsky, and Linda Klassen. They're seated in the public gallery. Please rise and receive the traditional warm welcome of this Legislature.

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

**Mr. Horner:** Thank you, Mr. Speaker. It's my pleasure to rise and introduce to you and through you to members of the Assembly two constituents from St. Albert. The first, Lorie Veldhuis, is a parent of three children in grades 2, 3, and 4, a very busy lady. One is attending J.J. Nearing Catholic elementary, and the other two children are attending Catholic French immersion at l'école Father Jan.

The second introduction, Mr. Speaker, is Wendy Battenfelder, who is also a parent of two children who are also attending J.J. Nearing Catholic elementary school in St. Albert.

They are with us today as part of the Education Watch initiative and because they are very concerned about the quality of education their children are receiving and the funding for separate public education in the province. They are seated in the public gallery, Mr. Speaker, and I would ask that they rise and receive the traditional warm welcome of the House.

**The Speaker:** The hon. Minister of Community Development.

**Mr. Zwozdesky:** Thank you, Mr. Speaker. It's a great pleasure to rise today and introduce to you some very special friends who are visiting us today and who are working with the Canadian National Institute for the Blind. They are here primarily to show their support for the Blind Persons' Rights Amendment Act, for which we are anticipating royal assent later this afternoon from Her Honour.

These individuals have worked very closely with me and my department on these important amendments, and I would ask them to rise as their names are called so that we can salute them jointly: Mr. Bryan O'Donnell, chair of the board for the CNIB; Mr. Bill McKeown, executive director of the CNIB; Ms Ellie Shuster, director of communications for the CNIB; Mrs. Roberta Wilmott, director of finance for the CNIB; and Diane Bergeron and her guide dog, Polar. Diane, of course, worked with the city of Edmonton as a co-ordinator on the Advisory Board on Services for Persons with Disabilities, and she's also a board member of the CNIB. They are accompanied by a member of my staff who worked on this particular act, Mr. Andrew Turzansky. Would you please all rise and be welcomed by our Assembly.

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

**Dr. Pannu:** Thank you, Mr. Speaker. I'm pleased to rise and introduce to you and through you to all hon. members of the Assembly a constituent of mine who is very active in a parent volunteer group called Education Watch. He's an active participant in this initiative. Dr. Wilson has a child who is in grade 2 at McKernan elementary school. He is also accompanied by Preet Sara, who is co-ordinator of the Education Watch initiative. Both of them are seated in the public gallery. I'll request them to rise and receive the warm welcome of the Assembly.

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

1:40

**Dr. Taft:** Thank you, Mr. Speaker. It's my pleasure to introduce to the Assembly Mr. Gerry Russo. Gerry is a parent of a child attending grade 1 at McKernan elementary junior high in Edmonton-Riverview. He's here, as many parents have been, as part of the Education Watch initiative, and he's seated in the members' gallery. He's concerned about the quality of education that his child is receiving, and he's concerned about funding for public education. I'd ask him to please rise and receive the warm welcome of all members.

Thank you.

**The Speaker:** Hon. members, seven years ago today, on March 11, 1997, 21 members of this Assembly were elected to this Assembly for the first time, so I thought that today I would introduce them on their seventh anniversary: the Minister of Justice and Attorney General, the Minister of Gaming, the Minister of Children's Services, the Minister of Municipal Affairs, the Minister of Revenue, the hon. Member for Edmonton-Centre, the hon. Member for Edmonton-Glengarry, the hon. Member for Redwater, the hon. Member for Calgary-Fort, the hon. Member for Bonnyville-Cold Lake, the hon. Member for Calgary-Lougheed, the hon. Member for Wetaskiwin-Camrose, the hon. Member for Leduc, the hon. Member for Calgary-West, the hon. Member for Clover Bar-Fort Saskatchewan, the hon. Member for Edmonton-Gold Bar, the hon. Member for Olds-Didsbury-Three Hills, the hon. Member for St. Albert, the hon. Member for Edmonton-Strathcona, the hon. Member for West Yellowhead, the hon. Member for Banff-Cochrane. Seven years.

head:

### Oral Question Period

**The Speaker:** First Official Opposition main question. The hon. Member for Edmonton-Gold Bar.

#### Review of Pricing in the Beef Industry

**Mr. MacDonald:** Thank you, Mr. Speaker. Yesterday the Premier stood in this House and said: tomorrow the minister of agriculture will release a full accounting of where every dollar of assistance went. Today the minister of agriculture released this report, which is just a whitewash. Beef producers and consumers are still asking: where did the money go? My first question is to the Premier. Why less than 24 hours later have you broken your promise? This is not good accounting.

**Mr. Klein:** Mr. Speaker, I didn't break my promise. If I created confusion, I apologize.

The report relative to all the dollars spent, the breakdown of how the dollars were spent – and I've said this publicly many times – will be released when the program is finished. I understand the program is not yet finished, and the hon. minister has given a commitment to release that information once the program is finished.

What was released today, Mr. Speaker, was a report that indeed was not a whitewash. This is the terminology that has become so typical of the Liberal Party: "whitewash" and all kinds of very descriptive but misleading adjectives that lead people to read innuendo and wild accusations based on no evidence at all. Today's report regarded the beef industry pricing practices in the wake of BSE. The results of the study indicate that there was an overall average, not a monthly as the NDs pointed out, decrease in the price of beef – it was about 20 per cent – and that packers didn't engage in unfair pricing practices. The study showed also that our assistance programs were effective in keeping prices higher than they otherwise would have been.

The report, of course, was released today at 11 a.m., and as I understand it, the minister will be available with me at 3 p.m. again today to answer questions relative to this issue.

**Mr. MacDonald:** Again, Mr. Speaker, to the hon. Premier: given that the hon. minister of agriculture sits right next to you, why did you not know what she was investigating in this report?

**Mr. Klein:** Mr. Speaker, I did know, and I have stated publicly that the information relative to where every dollar went will be released once the program is complete. What more can I say? I already said that if I've confused the opposition members, then first of all that's not difficult to do, and, secondly, I apologize if I did.

**Mr. MacDonald:** Again, Mr. Speaker, to the Premier: given that the cow-calf operators that I had the privilege of meeting with in Vegreville last night demanded to know, "Where did the money go?" why does this government continue to ignore the interests of small farmers?

**Mr. Klein:** Mr. Speaker, first of all, how many? Who did they represent? We paid out to 1,534 feedlot operators totalling \$359 million. I don't know who he was talking to. Who was he talking to? Will the hon. member tell us how many were at that meeting and who they represented? He won't because he knows that they are a special-interest group that are not sympathetic or supportive of this government in any way, shape, or form.

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

**Mr. MacDonald:** Thank you, Mr. Speaker. It's unfortunate that the hon. Premier didn't accept my invitation to Vegreville. I would easily have given him a ride.

Again to the Premier: in making this report, why did the government not ask the meat packers to open their books?

**Mr. Klein:** Again, this was an investigation conducted by officials in the Department of Agriculture, Food and Rural Development – officials – and this hon. member is questioning the integrity of those officials, those government employees, those dedicated government employees. This member is questioning their integrity and their ability to conduct an investigation or a review to report to the minister. Mr. Speaker, that is sad. That is sad for this so-called hon. member to pick on public service employees who cannot be in this Legislature to defend themselves.

Mr. Speaker, relative to the question that was asked, I'll have the hon. minister respond.

**Mrs. McClellan:** Mr. Speaker, the hon. member is right. The packers were not compelled to open their books to us. That is highly competitive information. He may not understand that, but it is highly competitive information that we have no authority to ask them for. We wouldn't ask an individual producer for that information, we wouldn't ask Safeway for that information, and we did not ask them. However, there are authorities that can and will ask for that information if they believe it's pertinent to this discussion.

The hon. member knows full well – he was at the news conference – that this was not an investigation. This was a report that I asked my officials to deliver to me, done in-house at no cost to taxpayers other than my talented, hard-working, dedicated civil servants provide every day of the week to us. They were asked to provide three things to me. One, was there a change in retail price? Is there evidence of change in how packers have to handle materials that would affect pricing? They brought that information back to us. The third thing was: did the programs work for the intention that they were put in place for? Indeed, in fact it showed that that happened too.

1:50

**Mr. MacDonald:** Again, Mr. Speaker, to the Premier: given that we had a list of industry members interviewed, what information did this government get from the packers to formulate this report?

**Mr. Klein:** Mr. Speaker, I'll have the hon. minister respond. It was her officials who conducted the review for the minister – her officials – the same officials who are being questioned relative to their integrity and their capabilities by the hon. member.

Mr. Speaker, I would like to point out while I'm on my feet that it wasn't this hon. member who invited me. He offered to drive me to Vegreville, but it was the hon. Member for Edmonton-Highlands who invited me to go. It just goes to show that the Liberals will go to any lengths to hijack the NDs' agenda, and the NDs should be offended.

**Mr. MacDonald:** Again to the Premier: why did your government yet again overlook small farmers when this report was made? You're continuing to overlook small farmers. Why?

**Mr. Klein:** Mr. Speaker, again, I forgot to ask the hon. minister to respond to the actual question. I was just responding to the preamble and throwing in a little editorial comment.

But to respond to the questions, I'll have the hon. minister reply.

**Mrs. McClellan:** Mr. Speaker, small producers in this province have not been overlooked. As was indicated, 1,500-plus feedlot owners received to date \$359 million. I can assure you that many of those feedlots are small. They may be 50 head; they may be 100; they may be 500. In fact, if the hon. member moved out of the city and got out in the countryside, he would understand that there are not 1,500 and some odd large feedlots in this province.

So, Mr. Speaker, small producers have not been overlooked. However, I think this issue of the small family farm being overlooked is one that we should address here because this is a fallacy and it is being promoted for all of the wrong reasons. In fact, the small cow-calf producer, whether he had 50 cows, 20 cows, 100 cows, or 500 cows, was addressed in this program in the way that the majority of cow-calf producers want to be addressed, not by receiving a cheque from government but by receiving a fair return in the marketplace, which they did in the fall of 2003. In July of 2003 those producers told me that it would be 50 cents a pound for steer calves. In fact, the average was more like \$1.26 and a high of \$1.45.

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

#### Drug Abuse Treatment

**Ms Blakeman:** Thank you, Mr. Speaker. A Lloydminster detox centre admitted that it had turned away 90 patients last month. Last year the government made \$588 million from liquor and related revenue but only spent \$48 million on direct services and treatment for alcohol and drug addictions. In Alberta crack cocaine and crystal meth use are increasing problems for both urban and rural youth. My questions are to the Premier. How does the government justify huge liquor sales profits while people with addictions go untreated?

**Mr. Klein:** Mr. Speaker, that is not true. Taxes from liquor go into general revenues and are used for a multitude of services including services for those suffering addictions and those suffering other forms of abuse. So you can't tie any specific program to any set of revenues.

You know, I can tell you where 7.2 billion – billion – dollars of that money went. It went to health care generally and . . .

**Ms Blakeman:** Travel?

**Mr. Klein:** Mr. Speaker, the amount that went to travel can't even . . .

#### Speaker's Ruling Decorum

**The Speaker:** Please, please. You know, the tradition of this House is that you speak through the chair. I recognize somebody to ask a question. Then I recognize somebody to respond. In the meantime, then, there's all kinds of stuff happening. Well, it doesn't work. That's why I have to stand up, and I don't want to stand up. This is your question period. This is your answer period; it's not mine.

So the second question, please.

#### Drug Abuse Treatment (continued)

**Ms Blakeman:** Thank you, Mr. Speaker. Why is the government refusing to cover the cost to send youth addicted to crack cocaine to secure treatment facilities?

**Mr. Klein:** Mr. Speaker, I'll take that question under advisement.

I see that the hon. Solicitor General is not here. Perhaps the Attorney General can shed some light on it.

**Mr. Hancock:** Actually, it should be AADAC.

**Mr. Klein:** Oh, well, maybe I'll have the hon. minister of health respond because this could be a matter related to AADAC.

**Mr. Mar:** Mr. Speaker, in answering a question earlier this week, we were talking about crystal meth or methamphetamines, and I indicated at that time that there were a number of different drugs that we actually covered with respect to their treatment. I would refer the hon. member back to my response to it at that time. I don't have a complete list before me at this time.

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

**Ms Blakeman:** Thank you. Again to the Premier: why is the government not doing more to assist rural centres with youth drug problems, especially detox centres?

**Mr. Klein:** Well, again, Mr. Speaker, I believe that we're doing all we can do in light of trying to strike the right balance, but relative to the specifics of the question I'll have the hon. minister respond.

**Mr. Mar:** Mr. Speaker, again, earlier this week when we were talking about methamphetamine, which is a serious issue – I believe that the hon. Member for Drayton Valley-Calmar asked this question – we indicated at that time what we were doing in places like, for example, the Yellowhead corridor in treating young people and adults who have these difficulties with these very highly addictive drugs. So I again would refer the hon. member to my earlier response.

**The Speaker:** The hon. Member for Edmonton-Highlands, followed by the hon. Member for Lac La Biche-St. Paul.

### **Review of Pricing in the Beef Industry** (continued)

**Mr. Mason:** Thank you very much, Mr. Speaker. The minister of agriculture released a report today claiming that beef prices are down by 20 per cent over the last six months. However, figures on her own department's web site indicate that the store price of beef has only dropped by 3 and a half per cent over the past three years. This discrepancy is just one reason that Albertans are already calling this report a joke, a farce, and a whitewash. To the Premier: how can this government look Albertans in the eye and claim that grocery store beef prices are down 20 per cent when Alberta Agriculture's own figures show that that's not true?

**Mr. Klein:** Mr. Speaker, I'm just quoting from the study that was conducted for the hon. minister by dedicated and committed public service employees with no axes to grind. The results of the study indicate that there was an overall 20 per cent decline in beef prices last year. That's what the report states.

Now, the NDs can post what they want on the web site. Different things are posted on the web site for different days or different weeks or different months. But what we are doing is taking an overall price over one year, not one month, not one week, not one day, not one hour but a year.

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

2:00

**Mr. Mason:** Thank you very much, Mr. Speaker. Again to the Premier: how does the Premier expect Albertans to buy into a study that simply asks the packers, "Are you fixing prices?" rather than actually look at whether or not there's evidence one way or the other?

**Mr. Klein:** Mr. Speaker, I've said time and time again that there is a process for determining whether, in fact, packers are engaging in inappropriate activities. One of those activities is going on right now in Ottawa, where the all-party committee on agriculture is now calling evidence relative to the pricing practices of packing houses.

In addition, Mr. Speaker, I have said time and time again that if this hon. member or any other member has evidence that there is something inappropriate going on relative to packing plant prices, then pass that information on to the proper authorities. Now, you can pass that information on to our own Auditor General, Mr. Dunn, and I'm sure that he will do what he's able to do with that information. You can certainly pass it on to the all-party committee. You can certainly pass it on to the Competition Bureau.

I don't know if the hon. member has done any of those things, because I suspect that this hon. member is more interested in grandstanding, in trying to get the ink, to create fear, to create misapprehension, to create concern in the minds of the public than he is in getting to the bottom of this issue and getting the facts.

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

**Mr. Mason:** Thank you, Mr. Speaker. Given that the Premier says that this report and his government's responsibility is not to look into these kinds of allegations against packers, then why does the government news release say, "Ag report shows no unfair packer pricing because of BSE"? Why are you putting this out, Mr. Premier? Why?

**Mr. Klein:** Mr. Speaker, the hon. minister indicated that she would prepare a report, a report that would cover three things. One, what is the price of beef, generally? The report did that, and her dedicated and committed employees did the best they could to come up with an average figure relative to beef prices.

Number two, the report would indicate to the minister whether or not the program, the combined federal/provincial program, worked to assist farmers, those involved in the beef industry, and, number three, whether there was any surface evidence, anyway, to indicate that price-fixing was going on amongst the packing industry.

The report concludes that overall the price of beef has dropped over a one-year period by 20 per cent, that generally the assistance program put in place was beneficial to producers, and, thirdly, that there was no evidence, at least on the surface, of price-fixing by the meat packers. However, a more detailed investigation will be undertaken by the Competition Bureau and by the all-party committee of Parliament.

One more thing, Mr. Speaker. I'll be very, very brief. There is another component to the report, and that is the component relative to the breakdown of where the dollars went, and that will come once the program has ended.

**The Speaker:** The hon. Member for Lac La Biche-St. Paul, followed by the hon. Member for Edmonton-Riverview.

**Mr. Danyluk:** Thank you very much, Mr. Speaker. As earlier mentioned, numerous times I would say, this morning the Minister

of Agriculture, Food and Rural Development released a report prepared by her department entitled Pricing in the Beef Industry. Now, given recent allegations of price-fixing and other wrongdoings in the beef industry, I'd be pleased to share this report with my constituents. However, as answered by the minister, officials did not have access to the financial records of packers in this province. My question is to the Minister of Agriculture, Food and Rural Development. Can she elaborate on what the report did accomplish, seeing that only half of the financial picture was available?

**Mrs. McClellan:** Mr. Speaker, I think we have to put this into perspective. There were a lot of accusations being hurled around hither and thither, and this disturbed me, disturbed me at a time when this industry is facing the worst crisis in the history of the industry. So I asked my department. Essentially, the first request was: do a carcass evaluation and give me an indication of what's changed.

Mr. Speaker, I think it's useful if we can just take half a minute and outline what has changed for the industry. Today they have to separate SRMs and contain them differently. There are no automated deboning devices used any more. You have to segregate cattle under and over 30 months, which means mouthing those cattle if there's a suspect animal, which means you have to check to see if their incisors are coming through or in. You have increased rendering costs today. You have no market for a large part of the carcass, that previously went to offshore markets.

You have stranded product that was left out there en route to a market that was no longer available. That was short term but something that's just not talked about at all, and if you followed the Canadian dollar, you also know that there have been some very wide swings in that. Anybody who understands the export market knows what the impact of a cent of change, let alone 5, 6, 7, or 8 cents, can cause.

Lastly, Mr. Speaker, when the border opened to boneless, we have to understand that for the first period of time the discount on Canadian beef went very high compared to what it was originally, which was sort of in the grading system and maybe 4 to 6 cents and went as high as 25 cents. That's what the report told me, and that's what I wanted to know, and it was my report.

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

**Mr. Danyluk:** Thank you very much, Mr. Speaker. To the same minister and in reference to the contents of the report itself: did the report examine why cow-calf producers – and I stress: cow-calf producers – hadn't received any actual money from the BSE support programs?

**Mrs. McClellan:** Mr. Speaker, yes. It was asked. Supplementary to the first request, on carcass evaluation, was to do an evaluation to see if the programs did what they intended to. In fact, the first four, five, six programs that this government put in place, that were designed with the industry, did exactly what they were designed to do; that is, to move product through the system. I remind all members of this Assembly that we had what we thought was 650,000 head of fat cattle on feed in Canada, 50 per cent of which no longer had a home or a market, which subsequently came to be 1.2 million head. Indeed, those cattle moved through the system, and the cow-calf producer enjoyed a higher price for his calves than he would have seen.

The other thing that the cow-calf producer has seen, will see, and is seeing is some assistance on their market cows and bulls, in the terminology of the industry, culls. If they have applied for that

program, they had two options, a one-time payment or a price differential, which would bring them back to more normal. They also have access to a federal program. So while the cow-calf producer may not have yet received a cheque, the cheque they will receive from this government will be on the cull cows. The cheque for their calves came from the marketplace.

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

**Mr. Danyluk:** Thank you very much, Mr. Speaker. My final question is to the same minister to further clarify. My constituents are asking: why haven't we seen the beef price decrease in the grocery store in comparison to the decrease that has taken place for producers themselves?

**Mrs. McClellan:** Mr. Speaker, we've discussed this a number of times over the last months. It's well known in the industry that about 24 to 25 per cent of the carcass is high end, which is steaks, roasts, et cetera, which is primarily what we buy as Canadians. The lesser cuts of chucks and fronts and grounds we buy some of but not as much. We had a very high offshore market for that. Offals we virtually didn't use. Tallow primarily was shipped to other markets.

Mr. Speaker, when BSE hit, we had to consume that whole animal and use all of those parts. There's no question that the high-end priced steaks, roasts did not come down. But it is a fact, and it can be demonstrated that when you take everything into account, including in-store specials, in the last half of 2003 retail prices were down 20 per cent.

2:10

#### Health Care Funding

**Dr. Taft:** Mr. Speaker, on two separate days earlier this week when answering questions on out-of-province health care services, the Minister of Health and Wellness said that it wasn't worth fighting the federal government over \$20 million or \$30 million because "it's not really a material amount." That is the attitude of a government that has become lazy, lazy, lazy with taxpayer dollars. To the Minister of Health and Wellness: since the minister considers \$20 million or \$30 million to be immaterial, is it his department's policy that when they prepare their budget, they also consider amounts of \$20 million or \$30 million to be immaterial?

**Mr. Mar:** Mr. Speaker, \$20 million or \$30 million in the context of a \$7.2 billion budget strikes me as being something that, while a significant amount of money, is what we will spend in one day in the health care system. So let's put this in context. Now, of course, a \$7.2 billion budget is made up of a whole series of \$10 million, \$15 million, \$20 million, \$30 million slices, so when dealing with the federal government, provinces and territories are talking about billions of dollars. So if we're going to get some significant dollars from the federal government, let's talk in the billions with a "b," not millions with an "m."

**Dr. Taft:** Since the minister considers \$20 million or \$30 million to be immaterial, does he also consider the 500 nurses that that money could hire to be immaterial?

**Mr. Mar:** Not as immaterial as his question, Mr. Speaker.

**Dr. Taft:** Since the minister considers \$20 million or \$30 million to be immaterial, can he tell us how many community-based mental health programs could be funded with that amount of money?

**Mr. Mar:** Mr. Speaker, the hon. Member for Edmonton-Riverview

speaks with an aggressive certitude that's normally reserved for people that know very little about what they're talking about. By comparison this government speaks with optimism, not with pessimism. We seek to inspire people with hope; we don't traffic in despair. And finally, we persuade the public with passion tempered by reason; we don't do it with innuendo wrapped around in fear.

**The Speaker:** The hon. Member for Calgary-Fort, followed by the hon. Member for Edmonton-Ellerslie.

#### Funding for Homeless Shelters

**Mr. Cao:** Thank you, Mr. Speaker. Given that the homeless shelters in Calgary, two of which are in my constituency, the Drop-in Centre and the Salvation Army Centre of Hope, reported over 14,000 occupying 1,500 beds in emergencies, a movement of a thousand individuals per month showing a 29 per cent increase over two years, and also given that I participated in the Calgary biannual homeless count, in which we took a snapshot of the number of homeless in Calgary in one night in May, at the rate of increase we'll need about 450 beds over the next two years. Also, the news is saying that the homeless shelter operators are concerned about the funding from the province for their current operation. The question is to the Minister of Seniors, responsible for homeless shelters. What is the status of provincial funding in Calgary homeless shelters?

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

**Mr. Woloshyn:** Thank you, Mr. Speaker. I'm fully aware of that report, and I have to point out a couple of things. There are 1,500 beds in Calgary for emergency usage. A lot of the 14,000 counted were on a one-night basis, fully 6,000, or 55 per cent, of the count have been counted. The names have been identified in 2000 as well as 2002, which means that we have to address how to move people through and out of the shelters on a permanent basis.

With respect to the question on the funding, Mr. Speaker, Alberta Seniors has full intention of meeting our obligations to the shelters in Calgary as well as the rest of the province. For the funding arrangements the contracts expire on March 31. We're currently looking at streamlining and improving these contracts, and the shelters have been or will be told that their funding will continue uninterrupted until the contracts are put in place. This applies to Calgary as well as the rest of the province, and my officials have already spoken on a couple of occasions with the operators of the Calgary Drop-in Centre, the largest centre in Alberta with that particular information. I might want to point out that we invest, if you will, through Alberta Seniors alone over \$8 million in shelter operations in Calgary on an annual basis.

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

**Mr. Cao:** I have used up my time in the preamble, so I don't have further questions. Thank you.

**The Speaker:** The hon. Member for Edmonton-Ellerslie, followed by the hon. Member for Calgary-Currie.

#### Sustainable Resource Development

**Ms Carlson:** Thank you, Mr. Speaker. Logging occurring in the provincial forest reserve northwest of Cochrane has been the source of an ongoing battle between area businesses and loggers and Alberta Sustainable Resource Development. Yesterday the Court of Queen's Bench made a precedent-setting decision to revoke SRD's

logging permits for the area and to award all costs and damages to loggers and to a local ecotourism business. My question to the Minister of Sustainable Resource Development: given that the judge cited poor consultation and lack of integrated planning as a reason for revoking the permits, what does this ministry have to say for itself?

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

**Mr. Cardinal:** Thank you very much, Mr. Speaker. You know, when you manage over a hundred million acres of public land in Alberta on behalf of Albertans and when there are multi-uses, including recreation, grazing leases – we have commercial operations, we have industrial operations, and of course we have just general use of public land – it's always a challenge.

But in relation to the particular question, Mr. Speaker, the process is in the court system right now, and if anyone should know that you do not bring up questions in the House when they're in the court system presently, that member should know that.

**Ms Carlson:** Mr. Speaker, the decision was completed yesterday.

Why does it take the Court of Queen's Bench to teach this government's SRD department what is sustainable and what is not? The decision is over and done with, sir.

**Mr. Cardinal:** Mr. Speaker, again the member knows better than to bring up issues like that.

But in relation to the whole issue of forestry itself forestry is a very, very active industry in Alberta. It's a challenge to maintain it the way it is because there are really multi-use areas in those areas. It's a \$9 billion industry. In fact, over 54,000 people in Alberta are employed in forestry. So it's very, very important and continues to be a challenge for us.

Specifically on that issue, Mr. Speaker, the member darn well knows that you cannot bring up issues once they're in the court system until the final decisions are completed for the process.

**The Speaker:** The hon. Minister of Justice and Attorney General on the sub judice aspect.

2:20

**Mr. Hancock:** Thank you, Mr. Speaker. Just for the purpose of adding to the point that the hon. minister just made, the hon. member indicated that the last word has come out, and in fact there is an appeal period after a Court of Queen's Bench decision. The final word doesn't come out until after that appeal period has expired or, if an appeal is filed, the appeal has been heard and the decision taken.

So one should be very careful in language around a decision with respect to a matter. That consultation is obviously important. One does not want to have questions in the House which might affect the ongoing discussion of this in the courts if, in fact, an appeal is filed, and it is sub judice until the appeal period has in fact expired or the appeal has been heard insofar as questions that may be raised that might affect the matter before the court.

**Ms Carlson:** Mr. Speaker, when will this government actually commit to sustainable resource development and conduct appropriate environmental impact assessments and public consultations whenever they need them instead of relying on outdated information from the late '80s to make these forest decisions?

**Mr. Cardinal:** Mr. Speaker, we do have proper processes in place

to deal with issues like this. Like I said, you know, we manage over a hundred million acres of public land. There's oil and gas activity. There are grazing leases. There are recreation leases, and there's general usage in that area. The way our province has grown, with the strong economy in Alberta, including southern Alberta, the demand for public land use is increasing. We're trying our best to ensure that we keep a balance between the economic development that's required and also the environmental protection.

In fact, Mr. Speaker, we just recently, in the past year or so, finished the Bighorn backcountry, which covers, I believe, over 5,000 square kilometres, access management plan, which is ongoing. We have the Ghost-Waiparous plan underway now, which is in a similar area, that will develop a balanced approach in how we use the public land. So we are doing things.

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

### Alberta's Electricity Policy

**Mr. Lord:** Thank you, Mr. Speaker. Deregulation remains controversial for some of my constituents. My questions are to the Minister of Energy. Minister, once you take government debt incurred into account as well as system stability and supply, how does Alberta's electrical system stack up against other Canadian provinces?

**Mr. Smith:** Extremely well, Mr. Speaker. There's no question, and I think that it's important for members opposite to maybe have a little review.

In British Columbia there are some 11,000 megawatts, Mr. Speaker. Their taxpayer guaranteed debt is about 7 and a half billion dollars. If you move over to Saskatchewan, which has about 2,300 to 2,500 megawatts for a million people, their debt is in excess of a billion dollars. Manitoba, which has 5,300 megawatts and right now with drought conditions can't supply all the power that it's contracted to export, has \$7.2 billion against it. We now go to the granddaddies of all, Ontario and Quebec hydro. Between those two jurisdictions there's in excess of \$75 billion worth of taxpayer guaranteed debt. This means that in the electrical system across Canada, there's just about a hundred billion dollars' worth of taxpayer guaranteed debt in order to bring prices that are in the neighbourhood of what they are today in Alberta.

Just for more elucidation, I think, yesterday New Brunswick was converting their only power plant, besides the nuclear power plant, to something called orimulsion, which comes from the Orinoco heavy oil fields in Venezuela. That conversion is about a billion dollars. Now the company in Venezuela has reneged on the contract, and taxpayers are on the hook for a billion dollars. There's a steel plant in Hamilton that's gone bankrupt. There's a 7 and a half million dollar charge on their electrical bills. This is not happening in Alberta, Mr. Speaker, because there's a competitive market system.

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

**Mr. Lord:** Thank you, Mr. Speaker. My second question is again to the same minister. Considering system stability and supply, how does Alberta's electrical system stack up against North American jurisdictions?

**The Speaker:** Well, I hope we're not going to go through 50 different, separate states.

**Mr. Smith:** Well, Mr. Speaker, I can only thank you for the confidence you have in my intellect, that I would be able to do that. Would you like to go alphabetically from Alaska?

Let me say, Mr. Speaker, that in the United States the eastern seaboard because of its congestion actually does have higher prices, much to the tune of twice to three times as high as what Alberta does. In areas where there are more bountiful supplies, such as Arizona and those areas, the prices are naturally more competitive. As we watch what happens in California, I think that's going to be a key indicator of what goes on in the United States.

What has been proven certainly through the Ohio blackout situation is that there is a lack of market design that allows areas where there is excess power to move to areas where there is a shortage of power, thus giving rate stabilization across the continent.

**Mr. Lord:** My final question, Mr. Speaker, is: how does Alberta's power system stack up against the rest of the world considering the importance of global competition?

**The Speaker:** Same advice, hon. minister.

**Mr. Smith:** So Albania, Afghanistan – it's difficult, Mr. Speaker.

We do know that across the globe countries and jurisdictions have been struggling with how to provide economic growth because they know that adequate electricity generation is a key underpinning for economic growth. Probably the most visible one is China. China, which manufactures over 13 per cent of the world's goods and uses over half the world's cement production, is, in fact, in a power deficit, and that's given the Twin Gorges project of some 22,000 megawatts.

In effect, Mr. Speaker, if you go to Japan at, I believe, 23 cents to 25 cents, Denmark at 22 cents, and particularly the United Kingdom, which is a competitive market and which has seen prices drop, there's ample evidence to realize that competitive market generation is a compelling economic alternative to fuel economic growth in those areas that need electricity.

### Edmonton Southeast Ring Road

**Mr. Bonner:** Mr. Speaker, one of the companies shortlisted to bid on the Anthony Henday P3 project, Borealis Infrastructure, has been involved in some very controversial P3 projects across Canada. To the Minister of Transportation: why has the ministry shortlisted a company whose P3 schools were such a financial disaster for the Nova Scotia government that it had to abandon the remainder of its P3 plans and is now stuck with costly 35-year leases?

**Mr. Stelmach:** Mr. Speaker, this question you could just plan. I was kind of waiting for it over the last week since we did our news release to the public of the province of Alberta. This is a situation which is quite serious.

In this House we are awarded some certain privileges. We are protected in terms of the kinds of names we bring up in this facility, in this House, in this Legislature, in terms of saving us harmless from those names that are brought up here that could be erroneously brought forward by the opposition, simply by the fact that they have something against public/private partnerships. There has been a whole process and one where we were quite open and transparent in this particular House. [interjection] He asked the question; I'm giving you the answer. Do you have any decency in you at all? Can you just listen? So what happened is there's a very open, transparent process in terms of the adjudication of all of those companies that put forward their requests for qualification.

Now, if the hon. member has something beyond what he brought up in this House, information that he might have that nobody else has that is of very important consequence, and wants to make an accusation against anybody other than some company, make it outside, put it in writing, and send it to me, and we'll review it. But make the accusation. Note it. Just don't get up in the House and start throwing around company names.

2:30

The reason I say that, Mr. Speaker, is because this province is open to investment. We want to attract as many investment dollars as we can. We don't do that when people want to do business in this province, spread this news around the province like there's something clandestine here: oh, there's something behind this company that nobody knows. Why do it? If you're not happy with the policy, change the policy.

**Mr. Bonner:** Well, I think we touched a raw nerve.

Mr. Speaker, given that Borealis is currently involved in a P3 project in B.C. where the costs have doubled and the government is facing pressure to abandon the project, what evidence has the company produced to make this government believe that the same won't happen for the Anthony Henday project?

**Mr. Stelmach:** Mr. Speaker, as far as our department is concerned and as far as this government is concerned, we will make the evaluation on the applications and requests for qualifications based on the very thorough process we have in this province. What other provinces have done in terms of public/private partnerships – I don't know what process they use, although I do know that we have listened to others that have endeavoured into public/private partnerships, learned from their errors and mistakes, and have brought that information forward to the province of Alberta. I firmly believe that we've put together an excellent process and one which others can learn, including those across the other way.

**Mr. Bonner:** To the same minister, Mr. Speaker. Taxpayers want to know: why would this ministry shortlist a company whose track record on P3 projects is so poor?

**Mr. Stelmach:** Mr. Speaker, the hon. member makes an assumption, an accusation. All I'm saying is: back it up. If that's the issue, send me a letter, put your name to it, and I'll take it over to the adjudicators. Otherwise, don't bring up some company name, because this will never come to an end. If you're not happy with the public/private partnership policy of the government, criticize the policy, but don't start criticizing individual companies.

Secondly, Mr. Speaker, do you know that after the request for qualifications and then the request for proposals ends, this city, by 2007, quite frankly, will have two-thirds of its ring road completed? And here they're doing everything they can to drive investment away.

head: **Members' Statements**

**The Speaker:** Hon. members, 30 seconds from now I'll call upon the first of four to participate.

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

#### **Canadian Agricultural Safety Week**

**Mr. Danyluk:** Thank you very much, Mr. Speaker. I rise today to recognize and bring attention to the Canadian Agricultural Safety Week campaign, which began March 10 and runs through the 17th.

This year's theme is Farm Safety Makes Sense, and it examines the physical, social, economic, and possibly legal costs of farm-related injuries and fatalities in Canada.

Agriculture producers spend all year planning for their operations: cropping alternatives, animal husbandry and dispersal, fertilizer and herbicide selection, machinery repair, revitalization, and new investments. But planning for safety is sometimes an afterthought. In 2003 there were 1,376 farm-related injuries and 14 farm-related fatalities in Alberta. That number is much too high.

We invest in our farms, so we should invest in our safety because safe agriculture is a sound business practice that pays off. Alberta Agriculture, Food and Rural Development takes an active role in providing farmers with information that promotes farm safety year-round.

This year Alberta Agriculture is launching a CD-ROM that will help producers assess the safety of their operations. The CD-ROM is available to the public free of charge thanks to the generous sponsorship of corporations such as ADFarm, Agricore United, Bayer CropScience, and the Royal Bank of Canada. Their commitment demonstrates just how important farm safety awareness is to agricultural communities.

With more than 50,000 farms in Alberta many Albertans are already aware of the importance of safe farming practices. Canadian Agricultural Safety Week aims to increase awareness for people working and visiting farming operations because we, Alberta farms, want to be a safe place to grow.

Thank you very much, Mr. Speaker.

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

#### **Easter Seals March of Dimes**

**Mrs. Jablonski:** Thank you. Mr. Speaker, in 1951, motivated by the polio epidemic sweeping the continent, a group of mothers gathered and marched to raise funds for services needed by physically disabled children. As a result of their efforts and the efforts of other Canadians the research of Dr. Jonas Salk was well funded, creating the historic made-in-Canada cure for polio.

Yesterday Mary Hanley Catholic elementary school in Edmonton hosted the official launch of the 53rd Annual Easter Seals March of Dimes campaign in Alberta. This campaign raises funds for children with physical disabilities, which in turn will ensure that these children obtain necessary equipment such as wheelchairs, communication aids, vehicle adaptations, wheelchair ramps, and other equipment in order to be as independent as possible and to have an improved quality of life. The March of Dimes also funds the Easter Seals Camp Horizon project in Bragg Creek, which supports children with physical disabilities and serious illnesses. Another important project is the March of Dimes McQueen Road residence in Edmonton, which is Canada's first accessible group home for adults with disabilities.

The government of Alberta is a proud supporter and co-sponsor of these initiatives primarily through the ministry of Human Resources and Employment and the community initiatives program within Alberta Gaming. That is why I am pleased that, along with the Minister of Community Development and the Minister of Human Resources and Employment, numerous children, parents, supporters, and staff members attended these ceremonies to officially launch this year's campaign.

Congratulations to the volunteer president of Easter Seals, Ken Bagnell, and his board, to executive director Jodi Zabłudowski, to principal Joanne Ritcey-Devaney and her staff and students at Mary Hanley school, and particularly to our Easter Seals kid ambassadors

Joanne Picard and Todd Davison for all their efforts in promoting such a worthy cause. I ask all members of this Assembly and, indeed, all Albertans to join me in thanking and congratulating everyone involved with the Easter Seals initiative and in wishing them a very successful campaign.

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

### Public Accounts Committees

**Mr. MacDonald:** Thank you, Mr. Speaker. My private member's statement this afternoon is not necessarily reflective of the opinions of any other members of the Public Accounts Committee or of government members or of members of the opposition.

There is a global trend towards greater openness in government finances. This is based on a belief that transparent budgetary practices can ensure that funds raised by the state for public purposes will be spent as promised by the government, while maximising the benefits derived from spending. One crucial component of a transparent system of resource allocation involves an independent assurance of the integrity of public budgeting through an audit process, and the scrutiny of its outcomes by the representatives of the people, in the form of parliament.

This is the opening paragraph of the 2002 report by the Association of Public Accounts Committees in South Africa entitled *Best Practices of Public Accounts Committees*.

It is with interest that I first note that the very first public accounts committee was formed at Westminster in 1861. From that point forward, Mr. Speaker, almost all parliaments and Legislatures have established their own public accounts committees or public audit committees. The job of these committees is to effectively exercise parliament's oversight responsibility over the government's spending program.

2:40

Some would note that governments today publish quarterly and annual financial statements and business plans. This is true for the majority of provinces, including Alberta and the federal government. What I would like to see as chair of the Public Accounts Committee is a more active committee here in Alberta.

The Canadian Council of Public Accounts Committees was established in 1979 to share best practices so that the quality and practices of public accounts committees throughout the country could improve. In 1981 a report entitled *Improving Accountability* was published by the Canadian Comprehensive Auditing Foundation that contained 69 recommendations on how public accounts committees could improve their effectiveness at probing the government's spending. In 1989 the Canadian Council of Public Accounts Committees published guidelines for public accounts committees which contained a further 59 recommendations.

**The Speaker:** Time.

**Mr. MacDonald:** Oh, I apologize. I didn't hear it.

**The Speaker:** Forty-five seconds ago.

**Mr. MacDonald:** I'm sorry, Mr. Speaker.

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

### Health Care Funding

**Dr. Taft:** Thank you, Mr. Speaker. Well, the value of a dollar. One of the most important duties of government is to ensure that ordinary

citizens, Albertans, are receiving value for their taxpayer dollars. This requires the attitude that every dollar is important, that every dollar is taxpayers' money.

On two separate days this week in this House we heard the Minister of Health and Wellness refer to \$20 million or \$30 million as an immaterial amount. At a time when provinces are screaming for federal money, when this government tells us that health care is too expensive, when this government cries poverty, this reflects a lazy attitude to public money. This minister says this because he claims that in the scheme of regional health authority budgets in the billions, tens of millions don't really matter.

Well, I say that \$20 million or \$30 million do matter. With \$30 million we could hire 500 new nurses. That doesn't seem immaterial. With \$30 million we could build six new community health centres. That also doesn't seem immaterial. With \$30 million Alberta Health could fund over 170 family physicians. With \$30 million we could pay for 632 long-term care beds for an entire year.

Who knows what else it could buy, Mr. Speaker? Maybe it would have funded better emergency services in Calgary so that Kathy Briant's mother, suffering from a stroke, didn't have to wait eight hours in emergency only to leave without seeing a physician. Maybe it could have bought a bed for the gentleman left lying on the floor in emergency that night.

What Alberta has is not a money problem; it's a management problem. It's a matter of mismanagement: mismanaging our dollars and mismanaging our resources.

Mr. Speaker, the greatest challenge facing our health care system today is not whether we're spending too much or too little; the greatest challenge is how to best spend the dollars we've got. It's clear when the Minister of Health and Wellness refers to \$20 million or \$30 million as immaterial that this government doesn't know how best to spend the money we've got.

Thank you.

### Speaker's Ruling Members' Statements

**The Speaker:** I'd like to remind all members once again that there is a time limit to this.

Now, the Standing Orders provide for members' statements. It was quite a debate for a great number of years to have the Members of this Legislative Assembly agree to have on the agenda an opportunity for members to give members' statements. As I was at that time the negotiator on behalf of the government who negotiated with the then House leader of the opposition party, we agreed that there would be a number of things. We would give as wide latitude as possible with respect to members' statements. We would ask the Speaker never to interfere and accept a point of order about anything said in the members' statements. One third thing we also stressed very, very strongly: that these would be opportunities for members to speak on policy and not bring in personalities.

If anything, I fear as the Speaker of this House that every time we deal with personalities and individuals, it just gives leverage to those who never, ever believe in having on the Routine something called Members' Statements.

head: **Notices of Motions**

**The Speaker:** The hon. Minister of Community Development and Deputy Government House Leader.

**Mr. Zwozdesky:** Thank you, Mr. Speaker. I rise pursuant to Standing Order 34(2)(a) to give notice that on Monday I will move that written questions appearing on the Order Paper do stand and

retain their places with the exception of written questions 2, 3, 6, 7, 8, 9, 10, 11, 12, 13, 14, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, and 32.

I'm also giving notice that on Monday I will move that motions for returns appearing on the Order Paper do stand and retain their places with the exception of motions for returns 1, 2, 4, 5, 6, 7, 8, 9, 20, 22, 32, and 33.

Thank you.

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

**Mr. MacDonald:** Thank you very much, Mr. Speaker. I would like to give notice at this time that I plan to rise and raise a matter of urgent and pressing necessity under Standing Order 40 at the appropriate time.

Thank you.

head: **Tabling Returns and Reports**

**The Speaker:** The hon. Minister of Energy.

**Mr. Smith:** Thank you, Mr. Speaker. I have today 710 pages out of 10,000 pages that I am tabling as a result of a freedom of information request by the opposition party with respect to the power purchase auction of 2000, the Balancing Pool legislation of May of '99, the market surveillance administrator's regulation of December of '99, and so on and so forth. This is only one copy. The other copies have been delivered appropriately to the Clerk's office. It shows the lunacy of their actions, and I will be seeking to offer them a data room where they can come in and peruse this information at their leisure.

Thank you.

**The Speaker:** The hon. Minister of Justice and Attorney General.

**Mr. Hancock:** Thank you, Mr. Speaker. On behalf of the Minister of Agriculture, Food and Rural Development in accordance with a commitment that she made in the House, she's pleased to file with the Assembly copies of the report Review of Pricing in the Beef Industry as well as the news release issued today in that regard. The main conclusion of the report is that the overall price of beef at the retail counter had declined 20 per cent, the BSE program has worked as intended in moving cattle through the system, and from information available to the department there was no evidence of unfair packer profits.

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

**Mr. Mason:** Thank you, Mr. Speaker. I'm tabling five copies of information from the Alberta Agriculture web site showing that retail beef prices have gone down less than 3 and a half per cent in the last two years.

Thank you.

**Mr. Doerksen:** Mr. Speaker, yesterday in question period I indicated to the Interim Leader of the Official Opposition that I would provide more detail to the questions that he asked, and today I'd like to table those responses.

head: **Projected Government Business**

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

**Ms Blakeman:** Thank you, Mr. Speaker. Under Standing Order

7(5) I would ask that the Government House Leader please share the projected government business for the week of March 15 to 18, 2004.

Thank you.

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

**Mr. Hancock:** Thank you, Mr. Speaker. On Monday, March 15, in the afternoon we anticipate the introduction of Bill 21, the Child Welfare Amendment Act, 2004; Bill 22, the Election Statutes Amendment Act, 2004; and Bill 23, the Fuel Tax Amendment Act, 2004. In the evening at 9 o'clock under Government Bills and Orders for second reading Bill 20, the Minors' Property Act, and Committee of the Whole on Bill 18, Maintenance Enforcement Amendment Act, 2004, and Bill 19, the Public Trustee Act.

On Tuesday, March 16, in the afternoon under Government Bills and Orders we anticipate receiving certain messages from Her Honour the Lieutenant Governor with respect to interim supply, and government motions 11 and 12 relating to interim supply. Time permitting, second reading of Bill 21, Child Welfare Amendment Act, 2004; Bill 22, Election Statutes Amendment Act, 2004; Bill 23, Fuel Tax Amendment Act, 2004, could be commenced and continued on Bill 20, the Minors' Property Act. Third reading could be available with Bill 16, the Residential Tenancies Act, and time permitting, Committee of the Whole on bills 17 or 18. At 8 o'clock in the evening on March 16 under Government Bills and Orders we would anticipate the first day of what is anticipated to be two days of Committee of Supply on interim supply.

On Wednesday, March 17, under Government Bills and Orders at 2 p.m. in Committee of the Whole bills 17, 18, 20, and second reading or committee on bills 21, 22, 23 and as per the Order Paper. At 8 p.m. under Government Bills and Orders Committee of Supply, day 2 of 2, interim supply; time permitting, Committee of the Whole on bills 21, 22, 23; and third readings as per the Order Paper.

On Thursday, March 18, in the afternoon under Government Bills and Orders introduction of Bill 24, Appropriation (Interim Supply) Act, 2004; Committee of the Whole on bills 21, 22, 23; and third reading on 17, 18, 20, 21, 22, 23, and as per the Order Paper.

head: 2:50 **Motions under Standing Order 40**

**The Speaker:** The hon. Member for Edmonton-Gold Bar on a Standing Order 40 application.

#### **BSE Assistance Program**

Mr. MacDonald:

Be it resolved that the Legislative Assembly express its opposition to the way the government handled the crisis surrounding bovine spongiform encephalopathy particularly for cow-calf producers and backgrounders and that the Assembly hereby establish a special select standing committee which must report to the Legislative Assembly no later than May 31, 2004, and which has the power to send for persons, papers, and records, sit jointly with other standing committees, and print evidence to examine the BSE aid packages and to determine who received the money.

**Mr. MacDonald:** Thank you, Mr. Speaker. This afternoon I rise on a Standing Order 40 application to present a motion to this Assembly. As you know, Standing Order 40 applications are to be made in cases of urgent and pressing necessity. Well, over the past two weeks Albertans have been asking the government to provide details about the BSE compensation packages that were handed out and who got them. The farmers and the ranchers that I've spoken to at

several meetings have indicated to me that they haven't seen a cent, didn't see a trickle-down, and are in real financial trouble if the border with the United States doesn't open soon.

The response of this government has been to stall, avoid the issue, and keep the light of day from shining on the books. This must end now, Mr. Speaker. This motion is urgent and pressing because Albertans want to know where the money went. They want to know now. They want to tell us their story, and they want to help all of us to make better decisions.

The government has continually shuffled this matter off to someone else. Government members won't let this matter be discussed in Public Accounts. The Auditor General has indicated that it will take months to look at this, and yesterday we were told that this matter should be taken up in the Assembly. Well, Mr. Speaker, here we are.

It's time to get to the bottom of these BSE aid programs. Our farmers and ranchers deserve better from us. I urge all hon. members of this House to grant unanimous consent for the motion and to establish this committee today so that it can begin its work immediately.

Thank you.

[Unanimous consent denied]

**The Speaker:** A point of order, hon. Government House Leader?

**Point of Order**

**Notice of Motion under Standing Order 40**

**Mr. Hancock:** Thank you, Mr. Speaker. My point of order with respect to the last notice of motion is that it was out of order and ought not to have been put at all. Standing Order 40 allows motions to be brought without the usual notice, but the notice that was given today on the Order Paper – and I raise it only for the benefit of your direction for the future. I have not received nor to my understanding did anyone else receive early notice of this, which is normally delivered prior to the House sitting.

Also, in giving notice earlier today in session, the hon. member just rose to say that he was giving notice that he was bringing a motion and gave absolutely no notice of the content of the motion, in which case it's not notice of a motion.

As well, the notice of motion itself is constructed in such a manner as to ask the House to actually pass certain activity levels. My understanding, without having had the opportunity to research it because I hadn't seen the notice until just now, is that under a motion brought under Standing Order 40, the House normally would debate for the afternoon the matter of urgent pressing necessity but would not, in fact, pass a motion requiring the establishment of a committee. That would come under a motion brought more properly to the House.

**The Speaker:** The hon. Opposition House Leader on this point of order.

**Ms Blakeman:** Thank you. If I may respond, I would argue that the Government House Leader has failed to prove that, in fact, the actions of the Member for Edmonton-Gold Bar contravened any Standing Order that's written. Standing Order 40 clearly says that it can be made "without notice having been given under Standing Order 38." Therefore, there was no notice requirement. I believe that it was in fact furnished to the Speaker's office. [interjection] Oh, okay. But the process was followed. There's no requirement that that happens. Read Standing Order 40.

The same process was used yesterday, and there was no objection

raised at that time. So following exactly what's put before us, it says very clearly that "a motion may, in case of urgent and pressing necessity previously explained by the mover, be made by unanimous consent of the Assembly without notice having been given under Standing Order 38." Therefore, notice was not given.

Additionally, a motion can require action of the Assembly, which is certainly what's called for in the Member for Edmonton-Gold Bar's Standing Order 40 motion, that the Assembly take some action. Motions often ask that the Assembly take some action or accept a report or accept a budget or agree to proceed with Committee of Supply in so many days of debate. So I would argue that it's accepted that a motion, in fact, can request action from the Legislative Assembly, and that, in fact, is what the member's Standing Order 40 has done.

Thank you, Mr. Speaker.

**The Speaker:** Hon. members, let's be very, very careful that we do not confuse the intent of Standing Order 30 with the intent of Standing Order 40. No one makes a decision with respect to an application under Standing Order 40 other than the House. It is not the chair; it's the House. The Assembly must provide unanimous consent. The chair is not involved in it. Under Standing Order 30 the chair is involved in it.

In terms of the requirements of notice, that has been discussed on previous occasions in this Assembly. In fact, the chair did make a statement with respect to this on November 29, 2001. At that time the then Government House Leader, the current Government House Leader, rose on a point of order, and the then Opposition House Leader, now the hon. Member for Edmonton-Ellerslie, also rose, and the chair made it very clear how we would deal with this. I'd refer this as weekend reading for all hon. members.

head:

**Orders of the Day**

head:

**Royal Assent**

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

**Mr. Hancock:** Thank you, Mr. Speaker. Her Honour the Honourable the Lieutenant Governor will now attend upon the Assembly.

**The Speaker:** Hon. members, one of the courtesies we've had in the past is we would not have laptops in operation when Her Honour is present, if you don't mind, please.

[Mr. Hancock and the Sergeant-at-Arms left the Chamber to attend the Lieutenant Governor]

[The Mace was draped]

3:00

[The Sergeant-at-Arms knocked on the main doors of the Chamber three times. The Assistant Sergeant-at-Arms opened the doors, and the Sergeant-at-Arms entered]

**The Sergeant-at-Arms:** All rise, please. Mr. Speaker, Her Honour the Lieutenant Governor awaits.

**The Speaker:** Sergeant-at-Arms, admit Her Honour the Honourable the Lieutenant Governor.

[Preceded by the Sergeant-at-Arms, Her Honour the Lieutenant Governor of Alberta, Lois E. Hole, CM, AOE, and Mr. Hancock entered the Chamber. Her Honour took her place upon the throne]

**Her Honour:** Please be seated.

**The Speaker:** May it please Your Honour, the Legislative Assembly has at its present sittings passed certain bills to which and in the name of the Legislative Assembly I respectfully request Your Honour's assent.

**The Clerk:** Your Honour, the following are the titles of the bills to which Your Honour's assent is prayed.

- Bill 1 Alberta Centennial Education Savings Plan Act
- Bill 2 Black Creek Heritage Rangeland Trails Act
- Bill 3 Architects Amendment Act, 2004
- Bill 4 Blind Persons' Rights Amendment Act, 2004
- Bill 5 Family Support for Children with Disabilities Amendment Act, 2004
- Bill 6 Income and Employment Supports Amendment Act, 2004
- Bill 7 Senatorial Selection Amendment Act, 2004
- Bill 8 Blue Cross Statutes Amendment Act, 2004
- Bill 9 Prevention of Youth Tobacco Use Amendment Act, 2004
- Bill 10 Justice Statutes Amendment Act, 2004
- Bill 11 Alberta Personal Income Tax Amendment Act, 2004
- Bill 12 Financial Administration Amendment Act, 2004
- Bill 13 Forest Reserves Amendment Act, 2004
- Bill 14 Appropriation (Supplementary Supply) Act, 2004
- Bill 15 Fiscal Responsibility Amendment Act, 2004

[The Lieutenant Governor indicated her assent]

**The Clerk:** In Her Majesty's name Her Honour the Honourable the Lieutenant Government doth assent to these bills.

**The Sergeant-at-Arms:** All rise, please.

[Preceded by the Sergeant-at-Arms, the Lieutenant Governor and Mr. Hancock left the Chamber]

[The Mace was uncovered]

**The Speaker:** Please be seated.

Hon. members, this could be quite an historic kind of day. This is the 15th day of this session and 15 bills have now received royal approval. I do not know if in the history of Alberta that has ever happened before, but I'm going to have it checked. I will report back to the House if that has ever happened.

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

[Mr. Tannas in the chair]

**The Chair:** Now I'd like to call the Committee of the Whole to order.

**Bill 16  
Residential Tenancies Act**

**The Chair:** Are there any comments, questions, or amendments to be offered with respect to this bill?

[The clauses of Bill 16 as amended agreed to]

[Title and preamble agreed to]

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

**Hon. Members:** Agreed.

**The Chair:** Opposed? Carried.  
The hon. Deputy Government House Leader.

**Mr. Zwodzdesky:** Thank you, Mr. Chairman. I would move that the committee rise and report Bill 16, the Residential Tenancies Act.

[Motion carried]

[The Deputy Speaker in the chair]

**Mr. Lougheed:** Mr. Speaker, the Committee of the Whole has had under consideration a certain bill. The committee reports the following with some amendments: Bill 16.

**The Deputy Speaker:** Does the Assembly concur in this report?

**Hon. Members:** Agreed.

**The Deputy Speaker:** Opposed? So ordered.

head: **3:10 Government Bills and Orders  
Second Reading**

**Bill 17  
Agricultural Operation Practices  
Amendment Act, 2004**

[Adjourned debate March 9: Mr. Klapstein]

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

**Mr. Marz:** Thank you, Mr. Speaker. I'd like to make a few brief comments on this particular bill because it does have quite an impact on rural Alberta, and I'd like to preface my comments first by mentioning that I've had a little bit of experience along this line, being in local government for 17 years. I'm not sure if I mentioned that in this House before, but it was during a time where the . . .

**The Deputy Speaker:** Hon. members, the chair does have difficulty hearing certain things, but now that I turn my volume loud, I find that I have many voices. Of course, the rules of the House are only one, and that's the hon. Member for Olds-Didsbury-Three Hills, please.

**Mr. Marz:** Thank you, Mr. Speaker. I'm sure that everybody would be interested in listening to what I have to say too.

It was during a time that I was involved in this where the confined feeding operations, what we called intensive feeding operations at the time or intensive agriculture operations, were going through quite a process, and there was a patchwork of land use bylaws across the province and not a whole lot of rules. My colleague from Lacombe-Stettler knows what I am talking about because she's been around long enough and has experienced some of the drama in rural Alberta that played itself out and the problems that arose between neighbours on this whole thing.

I can tell you that back then there were a lot of problems within neighbourhoods. Some municipalities took it upon themselves to improve their land use bylaws with the interest that the industry would not move forward unless it moved forward in a very responsi-

ble manner. No longer would people put up with having dead animals cast into waterways to get rid of them and letting the coyotes eat them up at will while they smelled and rotted.

So some municipalities took the bull by the horns, and my municipality was one such municipality because we had a lot of intensive operations happening at the time, so we were faced with doing something. My record shows that I have been an advocate of value-added agriculture. I've been an advocate of advancing agriculture in a very responsible manner. Some of the things we did in our county were the first. First time a direct injection of liquid manure was a condition of development. I believe we were the first ones to, as a condition of development, have lagoons fill from the bottom instead of from the top, so it controlled the odour and the nuisance that it caused.

It did disturb some farmers at the time, and they got the Farmers' Advocate office down, and they basically told us we were against agriculture. We had a far greater vision than that. We knew we weren't against agriculture, and if it was going to survive, it had to change and continue in a very responsible way. So we did that.

In two short years the same Farmers' Advocate office at a regional conference had a model bylaw that they suggested all municipalities in the province go to because there was such a patchwork, and it was almost a carbon copy of what we had developed in Kneehill. I guess they did that because they discovered that it worked.

So I'm going through here. I recognize that since the NRCB took control of confined feeding operations back two years ago, there's been more consistency in the province. I think the standards overall in the province have increased, and I think that's a good thing. In some areas where the standards were higher, I don't believe provincial standards have come up to those in a few areas, and I happen to be a representative in one of those areas. So as a result of that where people were used to a high standard and now see something a bit lower, they have some concerns about it.

I'd like to thank the Member for Leduc for actually improving some of these things in this amendment act by bringing clarity to quite a number of areas in the act that was brought forward in 2001. I think that makes it better.

I do have some concerns that perhaps the member could address when this bill gets to committee, and I'll briefly go over them. The first one is on giving the NRCB discretion to determine what the minimum distance separation, or MDS, should be for a residence that lies within an existing operation's MDS when the operation applies for an expansion. There may be some reasons to have that happen if, for example, you want to put a residence for hired help on a place next to a confined feeding operation or something like that, but where are the controls on the NRCB that they don't apply it to some unwilling or unwanted neighbour to have that reduced? Perhaps the member could make note of that and provide that answer for me.

The other issue I see in going through the bill is giving the minister additional discretion to deny requests for the establishment of a practice review committee. I'm not sure in the last two years how many practice review committees have been established. Could you maybe justify why we're doing that, if that's the only way of doing it to achieve that end or would perhaps putting a deposit down that would maybe be refundable if the complainant was found to be legitimate? So that's the other concern I have there.

Another one is neighbours that have had manure spread next to their residence, and when I say manure, I mean manure, composting materials, or compost as defined by the act. Adjoining neighbours were always considered in my memory, both in municipal bylaws and since the NRCB took over, as affected parties, and I'm just wondering why that is changing in this particular act?

I remember a story of a fellow spreading manure that was going right over the road and actually was hitting cars. They were probably not affected neighbours, but I would say that they were certainly affected drivers. So if you can spread it across the road and hit cars, I'm sure you can spread it across the road and be in someone's else's yard, and someone probably would be affected if it ended up on his lawn and he was going to have a barbecue that night. [interjection] Yeah. It could start rusting the barbecue prematurely.

The act deals with changing the short-term manure storage from six months to seven months. I think that that's a good thing and certainly support that because it does provide for spreading manure over a period of time when there's no snow or you're not spreading on frozen ground. So you can store it over the winter and spread it at a more opportune time when you can actually incorporate it into the ground. I see that as a huge improvement, and it gives a little better window for spreading.

I just wonder, though, where the corresponding sections in the act are that restrict manure spreading in the wintertime? Or is that in the regulations? And is there some way we can maybe ensure that manure is not spread on snow or frozen ground as it does create problems in runoff periods, especially if you get a quick thaw, and that can create some problems. So if the member could make a note of that as well.

3:20

The other thing regarding manure storage: it also allows for manure storage facilities to be constructed with less than nine months' capacity if the NRCB approves the applicant's manure-handling plan, and that seems to in my mind perhaps contradict the first clause of increasing it from six months to seven months unless it's for moving product off the farm to some other location like to a mushroom plant or something like that where you wouldn't need nine months. If that's the case, I would like clarification on that. If that is the case and those contracts are discontinued, what happens then? Is the NRCB going to ensure that a storage facility is established at that time? What happens in a case when perhaps a market for that product dries up?

The other thing is that manure can now be applied on saline soils. For those that don't know what saline soil is, it's a shallow water table, and the water comes up and has minerals and salts in the water, and then as it goes down, it deposits those salts and minerals on the top, leaving a kind of white surface. I'm wondering if the member could provide the science maybe in his comments either in second reading or in committee. If the science has changed, what is that science to show that that water table is going to be protected from those effluent materials going down in the water as the water recedes in the water table.

Other than that I believe the bill does provides some clarity to the act of 2001, and I'll conclude my comments, Mr. Speaker, with that and appreciate the member responding when he's able to research those answers.

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

**Mr. Bonner:** Thank you very much, Mr. Speaker. It is a pleasure to rise this afternoon and make a few comments on Bill 17, the Agricultural Operation Practices Amendment Act, 2004.

**Mr. Smith:** You're an expert on manure.

**Mr. Bonner:** Certainly, we get a lot of opportunities with what comes out of the hon. Minister of Energy's mouth to deal with these types of issues, and I thank him for that opportunity.

I would also like to thank the Member for Leduc for sponsoring this bill, Mr. Speaker, because it is a bill that has caused a great amount of concern to many municipalities throughout this province and is certainly a bill that I think a lot of municipalities are looking for clarity in. The hon. Member for Olds-Didsbury-Three Hills has mentioned that he has a number of concerns and questions that he would like answers to further on, and I have a few here as well, and I certainly look forward to the answers that will be provided by the hon. Member for Leduc.

With this bill there are several objectives, and we have a number of concerns with this bill or, if not necessarily concerns, certainly questions. This particular bill adds in a provision which allows the minister to refuse to consider establishing a review committee to look at a person or an operation that is creating "an inappropriate disturbance." If the minister finds a claim to be without merit, then they can refuse to look at it, and again this would be one of the areas that begs the question: what does "without merit" mean? How can this be judged? Will there be a set of guidelines that can be followed to determine what is with merit and what is without merit?

A second objective of this bill is that it deals with amending approvals for an operation. The bill allows the approval officer the discretion to determine if it is a minor alteration, and then they can waive notification of the affected parties. Once again, one of the questions that this raises is: what is a minor alteration? As well, will there be objective standards in place, and if there are, when could we expect to see those?

A third objective of the bill is that it allows approval officers to ignore any provisions respecting tests or conditions related to the construction of the site of a confined feeding operation when it comes to alterations or expansions of an operation or for a registration of an operation. It also allows them to ignore provisions respecting the application of manure, composting material, or compost.

Again, one of the questions that I'd have here – approval officers should not be ignoring anything that is relevant to the establishment of CFOs, be it environmental, health-related, spreading manure, whether the people in the municipality even want the CFO. It should not be up to the approval officer to override municipal concerns. I think that when we look at our local levels of government, particularly those in which the CFOs are going to be established, certainly they have a better handle on what is happening in their particular area, and they should have the option of making those decisions and not be overridden by an approval officer.

Another objective of the bill is that it allows multiple amendments and expansions of approvals, registrations, or authorizations of CFOs. The Society for Environmentally Responsible Livestock Operations wants the expansion factors limited to one at a time, not in bundles. I think that this is a wise recommendation, Mr. Speaker, in that if we are trying to deal with multiple issues at once, certainly it is very easy for the water to be muddied and for us to end up with a decision that isn't in the best interests of the municipalities.

Those are some of the concerns that I had.

One of the things I like in this bill is that there is a process called emergency orders which is being brought in, and these will allow inspectors of CFOs to issue orders to the operator to deal with the release of manure, compost materials, or compost into the environment. The government has the power to initiate an action for the costs, so I think this is one of the good things about this particular bill.

Another thing is that they're updating the definition of a CFO to be less about the activity on the land and more about the land itself, and the Society for Environmentally Responsible Livestock Operations is quite okay with this definition.

So I will certainly look forward to the responses from the hon.

member when the opportunity does arise. I will take my seat and listen to further debate from the members of the Assembly. Thank you very much, Mr. Speaker.

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

**Dr. Massey:** Thank you, Mr. Speaker. Just a few comments at second reading of Bill 17 when we're looking at the principles that have been established for the Agricultural Operation Practices Amendment Act, 2004. It's an issue that concerns I think all Albertans, there being concerns with those operations over the health impacts, over water contamination – odour, of course, has been a huge, huge concern – issues of dust, and even some questions about the impact of the operations on the meats produced. So there's a wide range of issues related to the operations, and they have raised questions in a number of communities. For those of us who remember the previous debate, in 2001 I believe it was, that we had with respect to ILOs at the time, some of the same issues are raised with the bill in front of us right now.

3:30

I stand to be corrected, but in reading the bill, it seems that there's some loosening of the process for approving confined feeding operations, and I wondered if that was the intent of the bill drafters. It seems to me that there are principles in three major areas that the bill addresses, and the adequacy, I guess, is something that we'll have to determine when we move to Committee of the Whole.

Certainly, health concerns. The regional health authorities in the province have been recommending a two-kilometre radius around those operations. Some groups have asked for even larger areas, up to five kilometres, but it seems that there is a need for a good area around them to be established and to be held to.

We've heard from some areas of the province where there's difficulty with land that has been designated for residential development but with no buildings on it being allowed inside the radius and not being taken account of. The federal Health department, as I understand it, has asked for a moratorium until the effects on health can better be determined, but it's, again, part of the issues that are being raised with respect to those operations.

Environmental concerns. There are some sections of the bill that address environmental concerns, and those principles I think are sound. There's a principle in the bill that seems to be an important principle, and that is that neighbours should be protected and their well-being considered when those operations are being established.

So it's a bill that's certainly very important in some rural parts of the province and is of interest to all Albertans. Thank you, Mr. Speaker.

**The Deputy Speaker:** Under 29 do we have any comments or questions?

If not, then the hon. leader of the third party.

**Dr. Pannu:** Thank you, Mr. Speaker. I've been desperately trying to look through the bill to be able to make some observations or ask some questions and have been listening intently to what hon. members have had to say to this point on Bill 17, Agricultural Operation Practices Amendment Act, 2004.

I want to note as well the lengthy debate that we had on a similar bill in 2001, I think it was. Lots of questions were raised. Lots of Albertans expressed concern about the intent of the bill at the time to facilitate the further expansion of the confined feeding operations in the province and the relaxation of the conditions to so do and the removal of the local powers that at that time still did exist so that it

was within the powers of local municipal authorities to say yea or nay to the establishment of these and that theirs was the last word. I remember that debate. Additional concerns had to do with the impact on health and contamination of air, water around those communities, noise, dust, whatever have you. Public health and related concerns were certainly part of the debate at the time.

Reading quickly through the bill – and I must confess that I have not read it with the care that it deserves because of the problem of time available at the moment. My general impression is that Bill 17 would seem to relax the conditions for expansion and establishment of confined feeding operations in the province. If that is the case, I would like to obviously hear the hon. Member for Leduc, the sponsor of the bill, address some of the questions that have already been posed in this regard to see what his views are as to whether the bill before us will in fact further relax the conditions for the establishment or expansion of the confined operations for livestock. If that is the case, then I would be concerned because I know lots of Albertans would be very concerned.

Add to that the more recent commitment of this government to prevention aspects of the health care delivery system as distinct from the clinical, curative side once the illness has happened. I think we need to be cautious and careful if this bill relaxes the conditions and allows either the practice review committee or the approval officer to overlook or overrule the Public Health Act requirements related to the development of these kinds of operations in neighbourhoods and communities and districts where this might occur.

One other comment, Mr. Speaker, that I would like to put on record has to do with, it seems, the grandfathering of these operations which had been in place and had the licence to operate before January 1, 2002, I think is mentioned here. I think the section that I noted is on page 5. Yes. “Deemed approvals, registrations and authorizations.” I think that if my read of that new section being added here is accurate, it would suggest that that corresponds to the concern expressed by the hon. Member for Edmonton-Mill Woods a few minutes ago and which I can also share, that the nature of the act, the legislation before us that we are debating, would lead to relaxing the conditions under which these operations can be operated in the province.

That section on grandfathering under deemed approvals, registrations, and authorizations, rather than requiring that facilities licensed prior to the coming into effect of the act that this bill is amending, they should in fact be required to meet the new conditions, the new conditions related to pollution, a consequence on health of the activity that they undertake if they are not up to par. If they don't meet these standards, they should be tightened. The grandfathering here would suggest that they are exempted from any such obligation, and if that is the case – and I certainly stand to be corrected with respect to this intent of the bill – then that's another concern that I'd like the hon. member, the sponsor of the bill, to address.

So at the moment I would just conclude my remarks and take an opportunity later on during the next stages of the debate on the bill to make some more comments based on a closer study of the text of the bill. Thank you.

3:40

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

The hon. Member for Edmonton-Gold Bar.

**Mr. MacDonald:** Thank you very much, Mr. Speaker. It's a pleasure to rise this afternoon to participate in the debate on the amendments to the Agricultural Operation Practices Act. Certainly, it's not long since the original bill was discussed in this Assembly, with its proclamation on, I believe, January 1, 2002.

But here we are after the consultation process that was very ably done by the hon. Member for Leduc, and here we have in this bill some of the changes that were the result of that consultation process. It is noteworthy at this time, Mr. Speaker, to recognize the role the hon. member played in this and the work the hon. member has done. Regardless of whether one is accepting or speaking against this legislation, one can't doubt that hon. member's commitment to this issue.

Now, it is interesting to note – and maybe the hon. Member for Olds-Didsbury-Three Hills can help us out here – that one of the things that we're contemplating doing with this legislation is that any individual who applies less than 500 tonnes of manure per year will not be required to keep records or conduct soil tests. Also, individuals who transfer less than 500 tonnes of manure per year will not be required to keep records of the transfer. What size of operation are we talking about here that produces less than 500 tonnes of manure on an annual basis?

Certainly, at one time – and many hon. members of this Assembly, Mr. Speaker, may be astonished to know this – it was a tradition, I'm told, in the spring of the year, and this was a tradition that came, apparently, from the Premier's office, that at the last of the snow, when the frost was starting to come out of the soil, the groundskeepers here were told to use manure to fertilize the grass. It was Premier Manning's theory that all the rural members would smell that aroma of the frost coming out of the ground and the chemical reaction of the manure and decide that the session should be over in May and that they should get back to their farms. This was Premier Manning's theory. Apparently it was a tradition around the grounds here for quite a few years, because that man was . . .

**Mr. Marz:** Maybe that's why he's not here any more.

**Mr. MacDonald:** Well, he was Premier for 25 years. I may stand corrected, but that's one-quarter of the history of this province. He thought it was a way that if the session was lingering, the rural caucus would want to get home to their own farms. But enough of history.

**An Hon. Member:** What has this got to do with this bill?

**Mr. MacDonald:** What does this have to do with this bill? Well, we are looking at a provision, and 500 tonnes of manure on an annual basis is the requirement so that we do not need records or need to conduct soil tests.

Now, when we talk about changing the definition of the confined feeding operation, this is certainly a big issue in the province. Many people are not happy with this whole idea of a CFO, as it's called. These details regarding manure handling, I don't know how they will be received. I'm sure the hon. member has reasons for that requirement.

We are looking at changing the complaint and review processes in this bill. We are also looking at changes to the process for approvals and restorations, and we are also looking at changing the powers that we give approval officers to decide if a confined feeding operation fits within the municipal development plan.

Hopefully, in committee we will get an opportunity, and if not, I could review *Hansard* because I haven't had a chance to review *Hansard* in regard to previous statements from hon. members. When any landowner can waive the minimum distance separation which is between a residence and an operation, as I understand it, why is the landowner being allowed to waive this minimum distance separation? What exactly is the purpose of that waiver? If I could have that information in due course, I would be very grateful.

So, there certainly are, Mr. Speaker, many objectives to this bill, but there are concerns as well. The concerns that the Official Opposition has have been outlined by previous speakers, but we need to have a thorough discussion on this. We can do that in the Committee of the Whole. There are many individuals and there are some groups that have contacted the Official Opposition in regard to this bill. We are going to have to have further consultation with them, hopefully, if we get time tomorrow. If the initial response is any indication, we will have some amendments to propose for this bill at the committee stage.

Thank you.

**The Deputy Speaker:** Any questions or comments?

If not, then the hon. Member for Leduc to close debate.

**Mr. Klapstein:** I will respond in Committee of the Whole, but I can make a few comments here. The discretion on the MDS that the board will be given is a limited discretion. If you draw a perfect line and a very rigid MDS, it's sometimes impractical because you take a look at the topography, the prevailing winds. If there is a residence a hundred feet from the line, do you have to say no, or can you have some discretion on what you're doing? The NRCB is being given quite a bit of trust, and we hope that that'll work.

On ministerial discretion to not allow a review, that would happen if there had already been a review shortly before or if that operation is under an NRCB order. There's not much point in having one review after the other after the other after the other. If you look at the legislation, the minister has the discretion as to whether or not that review can happen anyway.

3:50

The question with regard to spreading manure and neighbours being affected. When there is an application, the applicant will show the lands to cover that application, but there's nothing preventing him from using different lands the very next year and affecting people that are adjacent to those lands. So what we did is we said: okay, we're not going to make people that are neighbours to the lands on which manure is spread be affected parties, but we are

going to make more stringent restrictions as to what you have to do when you spread that manure, how close you can come to a residence and those sorts of things.

Short-term storage from six to seven months: that was to encourage people not to spread on snow or on frozen ground. We did not want to extend it to nine months because then they say, "Why do I have to construct manure storage capacity?" The intention is that if it's temporary storage, it has to be stored in such a way that it does not affect the environment.

The NRCB and the manure management plan. In other words, if you can show to the NRCB's satisfaction that the manure will be handled in such a way – and the example would be: if you have a contract with a mushroom producer and all the manure is going to leave the site, why would you force him to build a nine-month storage capacity?

Manure and saline soils. Well, the information we've been given is that it's actually an amendment to the soil, and it helps rather than hinder. So I will try and get some further information on that one.

Again, someone had asked about the review committee. The minister will only deny a review committee if there is no merit or it's vexatious, for those kinds of reasons. Perhaps I'll leave it at that and get some more detail.

I move second reading.

[Motion carried; Bill 17 read a second time]

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

**Mrs. Nelson:** Thank you very much, Mr. Speaker. There's been a lot of talk about things going through fields this afternoon in this House. I think it's time to get out and have a look at them.

I would like to move that the House now stand adjourned until Monday at 1:30 p.m.

[Motion carried; at 3:54 p.m. the Assembly adjourned to Monday at 1:30 p.m.]