

Legislative Assembly of Alberta

Title: **Thursday, March 25, 2004**

1:30 p.m.

Date: 2004/03/25

[The Deputy Speaker in the chair]

head: **Prayers**

The Deputy Speaker: Good afternoon.

Let us pray. Heavenly Father, as we conclude this week's deliberations and return to our constituencies, we pray that we will be renewed and strengthened in our commitments to better serve our constituency and all Albertans. Amen.

head: **Introduction of Guests**

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

Mr. Hancock: Yes. Thank you, Mr. Speaker. It's my pleasure today to introduce to you and through you to members of the Assembly Fabiana Leite. Fabiana is here from São Paulo, Brazil, on a Rotary International youth exchange program. She arrived in Edmonton in August 2003 and will be here until August 2004. She's attending Ross Sheppard composite high school in Edmonton, taking a full load of subjects in grades 10 and 11.

Fabiana is being hosted by the Rotary Club of Edmonton River-view and staying with four Rotary host families while in Alberta. I'm told that she's having lots of fun taking part in many Canadian/Alberta cultural and sporting activities during her visit thus far, and members will note that she's collected a lot of badges along the way.

Fabiana is accompanied by Mr. Chris Gowers, one of her host Rotary families. Chris, I might also point out to the House, is a mediator in addition to his own business at which he earns a living. He's in essence a voluntary mediator with our provincial court mediation program. Our mediators do get a modest honorarium, but it doesn't go anywhere near paying for their time, so I call them volunteers. I'd just acknowledge Chris's contribution in that manner.

Fabiana and Chris are standing in the members' gallery, and I'd ask the House to give them the traditional warm welcome.

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

Mr. Boutilier: Thank you very much, Mr. Speaker. Indeed, it's my pleasure to introduce the Timberlea public school from Fort McMurray. In Fort McMurray our city slogan is We Have the Energy, and clearly these students and teachers and parents and the bus driver represent that energy. It's my pleasure to introduce the teachers who are part of the group of 55 that are here today from Timberlea: Gloria Fountain, Tracy Horvath, principal Anthony Warren, as well as Denise Roland and Zeta Norris, along with many parents that are here helping with the trip today and also the bus driver, Marc Pichette. I would like to ask everyone from Timberlea school to rise, the whole delegation, and please extend to them the warm welcome of this Assembly.

The Deputy Speaker: The hon. Minister of Human Resources and Employment.

Mr. Dunford: Thank you, Mr. Speaker. We have a number of special guests today from the Deputy Minister of Human Resources and Employment's office, and I believe them to be perhaps in the

public gallery. I'd like to read their names, and then at the end if they would all rise, we could provide them with the proper welcome. We have Mr. Barkat Rajwani, Ms. Veronica Pysmeny, Todd Zyla, Mrs. Marge Segin, Mrs. Rena Sawatski, Miss Ashley Dawson, Mr. Josh Chatterley, John Bozocca, Mrs. Sharon Wilde, Cynthia Quintal, Christina Dentzien, Gordon Okamura, Janice L'Hirondelle, Bryon Hoy, Susan Sava, Jessica Yan, and Lana-Rae Shade. I hope I've pronounced all of those names correctly. If they would rise and receive the warm welcome of the House.

The Deputy Speaker: The hon. Member for Edmonton-Beverly-Clareview.

Mr. Yankowsky: Thank you, Mr. Speaker. I rise to introduce to you and through you to this Assembly a constituent, Mr. Dave Schwartz. He is here to observe question period. Dave is a former announcer with Mix 96, where his radio name was Dave Shannon. He is the voice-over for the Premier's dinners and also does some live announcing, as he will be doing tonight. Dave is seated in the members' gallery, and I'd like to ask him to please stand and receive the very warm welcome of this Assembly.

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

Ms Blakeman: Thank you very much, Mr. Speaker. Students from Sierra Leone, the Sudan, and Uganda have chosen Edmonton as their new home, and more particularly they've chosen St. Joe's Catholic school as their school. I'd like to introduce to you and through you to all members of the Assembly a group of students, and I'm going to name them all. I'd ask them to rise as their names are called: Forty Two Chuang, Alor Arop Deng, Kvol Arop Deng, Solomon Ochen, Bondi Koroma, Yeama Koroma, and Nyogoa Tut. They're accompanied today by their instructors and teachers, Miss Geraldine Dawson and Miss Lorie Taylor. They're all standing in the public gallery. Please welcome them to the Assembly.

The Deputy Speaker: The hon. Member for Redwater.

Mr. Broda: Thank you, Mr. Speaker. It's my pleasure to rise today to acknowledge to you and through you 87 guests who are not present in this Assembly right now. They're from Bon Accord school. They're taking advantage of our excellent learning centre that we have here, the School at the Legislature, and also the mock parliament. I thought it would be proper to acknowledge them as being present here today and to have them receive the warm welcome of this Assembly.

Thank you.

head: **Oral Question Period**

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

Health Care Premiums

Dr. Taft: Thank you, Mr. Speaker. This morning the Minister of Finance stated on the radio that she does not find it, quote, offensive, end quote, to pay the health care premium tax. To the minister of Finance: given that half her health care premium taxes and half those of all MLAs are paid for by the Legislative Assembly, will she admit that MLAs who support the government's policy on health care premiums are following a double standard?

Mrs. Nelson: Mr. Speaker, the question that I was asked this morning was: was I prepared to get rid of health care premiums and

send out the bill to Albertans? The response I gave back was that the health care system costs \$8 billion in this year's budget. [interjections] I would ask the hon. members opposite to listen to the answer. The cost is \$8 billion, and it doesn't matter how you shake the cat. The people of Alberta, the taxpayers, have to pay for the cost of the health care system. So whether I take it out of your right pocket or your left pocket, it's still \$8 billion.

Now, I can say that I'll get rid of the little slip of paper that says: here's the invoice for the health care premium. I can hide it in the taxation model like other provinces do. I can play the political game with you, or I can be up front and honest with you and say: the tax is there, and it's coming through to pay for this system, and it's \$8 billion. That's the full cost of the health system, so it doesn't really matter how it's there, how it's delivered. I prefer to see the invoice go out because, quite frankly, my concern over the years is that I get the feeling that some people in Canada believe that the health system is free. It's not. It's \$8 billion this year.

The Deputy Speaker: First supplemental. The hon. Member for Edmonton-Riverview.

Dr. Taft: Thank you, Mr. Speaker. Given that health care premiums comprise only a tiny portion of her \$120,000-plus salary but a substantial portion of the salaries of ordinary workers, will she admit that these are a regressive and unfair tax?

Mrs. Nelson: Well, you know, Mr. Speaker, we're very fortunate in Canada to have a public health care system, and I, like every person in this province and in this country, have to have that system in place, and we all have friends and families that require that system. Our objective through this whole process – and I'm not going to play this little game with the member opposite – is: how do we renew and sustain the health system so that it's there for the long term for when we need to access that system? That's the fundamental key. The cost of this system this year was a little alarming because what happened this year was that for every additional dollar of increase in spending in this budget, 50 cents of that went to the health care system. That's not sustainable. That has to change.

1:40

The Deputy Speaker: To supplement, Minister, very briefly.

Mr. Mar: Briefly, sir. I only wish to supplement by saying this. As the Minister of Finance has already indicated, the cost of the health care system will be in the magnitude of \$8 billion. The amount that will be coming from premiums is roughly in the magnitude of \$1 billion. But I have said in this House and in other venues, Mr. Speaker – and I want Albertans to know – that if you add up what we get for health care premiums plus all of the personal income taxes in this province plus all of the transfers that we get from the federal government, it still doesn't add up to \$8 billion. So this is an enormous system that we pay for. It's a good system. But to suggest that you can do away with a billion dollars is simply not possible. If the hon. member wishes to propose on the floor of this Legislature or anywhere else a sales tax, then let him do so.

The Deputy Speaker: Final supplemental.

Dr. Taft: Thank you, Mr. Speaker. Back to the Minister of Finance: why has the minister chosen to hide a billion dollars from Albertans by lowballing natural gas revenues instead of giving Albertans a tax break by eliminating the regressive health care premium tax?

Mrs. Nelson: Mr. Speaker, I'm beginning to think that the hon. member opposite is running out of things to complain about. We live in a very successful province economically. Quite frankly, if he would review the fiscal structure that we operate under, he would be well aware of the fact that under our fiscal framework we have set some limits on how much of the resource revenues we can actually spend on programs that we deliver to Albertans, and that number would be \$4 billion.

The issue as to where the forecast is of the price of crude oil or the price of natural gas only really becomes an issue at the end of the year. I no longer have to get up every day and worry that the Minister of Energy is going to come and tell me that there's a high or a low in the oil and gas prices because we've put in place protection against those highs and lows with our new fiscal structure.

So insofar as the oil and gas price forecast, Mr. Speaker, I would ask the House to please entertain an answer from the Minister of Energy on those forecasts because I believe it's very important.

The Deputy Speaker: I think we'll forgo that, as illustrative as it may be. There are other people who can ask the question, and we've already taken a considerable amount of time with this particular series.

The hon. Member for Edmonton-Centre.

Seniors' Benefits

Ms Blakeman: Thank you, Mr. Speaker. Yesterday's budget was a big letdown for seniors, who have seen their programs cut or reduced over the years and their living costs go nowhere but up. One seniors' group, SALT, is "profoundly disappointed by what is and is not contained in the 2004 Alberta Budget." My questions are to the Minister of Finance. Why in its budget did this government forget about seniors?

Mrs. Nelson: Mr. Speaker, I take great exception to that. We clearly did not forget about seniors. They're very, very important people in our province. I personally find it totally insulting that the hon. member would think that. We had an increase in our support for seniors.

I'm going to ask the Minister of Seniors to explain the details of that.

The Deputy Speaker: The hon. minister.

Mr. Woloshyn: Thank you very much, Mr. Speaker. I think we should be very clear on this. The budget for seniors this year, I find, is very generous. It may not meet what a lot of folks would like it to meet. I'm the advocate for seniors, and I would advocate for more in the budget if I could, but as has been pointed out, we want to be sustainable. We want to meet the needs of our seniors. We have made remarkable progress in the area of housing, in the area of lodge grants for individual seniors, in the area of long-term care, and for the seniors on our programs. We've got a full \$10 million going into this year's budget that will sustain our seniors' benefits program, the cash payouts.

Mr. Speaker, I would like to also point out that our thresholds for premium payments are very generous in that individual seniors who earn less than \$27,000 pay no premium. Couples who are under \$44,000 pay no premium. Would I like to lift those thresholds? The answer is yes. But it has to be done in a fashion that can be sustained, that is supported, and that we can go on in the future and target the right people.*

*See p. 726, right col., para. 1

Speaker's Ruling Decorum

The Deputy Speaker: Just a reminder, hon. members of both sides, that if you want to ask a question and get an answer from a minister or a minister wants to give an answer to a question that's coming from there, please leave it to the allotted person. We had two or three questions going on at the same time as the hon. Minister of Seniors was attempting to answer his. That's understood in here.

Second question, first supplemental, Edmonton-Centre.

Seniors' Benefits (continued)

Ms Blakeman: Thank you, Mr. Speaker. Again to the Minister of Finance: why didn't this budget restore any of the benefits programs seniors have lost, such as the universal optical and dental program?

Mrs. Nelson: Well, Mr. Speaker, this budget saw a \$21 million increase in support for seniors, and I think that, quite frankly, from what I understand, seniors across Canada find Alberta one of the best places to retire because of the benefit programs that are here in this province.

Again, I'll ask the Minister of Seniors to respond to the specifics of the question, but there has been a substantial increase in support for seniors in this budget.

The Deputy Speaker: Briefly, hon. minister.

Mr. Woloshyn: Yes. Speaking specifically to the question of dental and eyeglasses, I might like to point out that anyone on our seniors' benefits program has the ability to recover up to 100 per cent of the costs without the severe limitations of the previous program. The program is not universal, I'll grant you that. However, I have to point out that seniors in this province are the best off of any other province in the country, bar none, including, if you will, the United States.

So let's be fair about this, Mr. Speaker. Would we like to do more for our seniors? Definitely. Are they important? Definitely. Are we going to continue to advocate to improve their programs? Definitely. But let's keep it in perspective. We are doing an awful lot of good for these people.

The Deputy Speaker: Final supplemental, Edmonton-Centre.

Ms Blakeman: Thank you. Again back to the Minister of Finance: given that a budget is supposed to be a plan for how this government will be spending Albertans' money, why is there no plan for the \$10 million of the Seniors budget and how it's going to be spent?

Mrs. Nelson: Mr. Speaker, the plan that was laid out clearly yesterday in the budget not only includes the three-year business plans but also includes a 20-year strategic planning process for our government and for the province. The plans are in fact there.

Now, in the specifics as to the Seniors budget, as the hon. member knows, the benefits program renews July 1. While there's enhancement to go forward for seniors, that will be announced as time presses on closer to the date of July 1 for renewal of the seniors' benefits plan.

The Minister of Seniors may want to supplement that answer.

The Deputy Speaker: The hon. Interim Leader of Her Majesty's Loyal Opposition.

Student Loan Program

Dr. Massey: Thank you, Mr. Speaker. This government sent a strong message yesterday through its budget by demonstrating that while debt is not acceptable for the province, it's encouraged for postsecondary students. While the government balances its books, Alberta students will be forced to borrow almost \$100 million in student loans for the next year. My question is to the Minister of Learning. Why does the government push so hard to become debt free while forcing students deep into debt for their postsecondary schooling?

1:50

The Deputy Speaker: The hon. minister.

Dr. Oberg: Thank you very much, Mr. Speaker. Included in this budget was a \$300 per year increase in the maximum amount of a student loan. Just for the member's information Alberta is the only province in Canada that has actually increased the student loan limit since 1994. In all other provinces it is tied to the federal government in a 60-40 ratio, which has not changed.

The hon. members are talking about more debt, but again they forget what I've said for the last four years when I've tabled four budgets. The maximum amount that they will have to pay back on an \$11,600 loan is \$5,000 per year.

Mr. Speaker, included in the \$97 million that will be given out in student loans is \$39 million of loan remissions that will go to our students this year. We have also increased scholarships and bursaries by \$6.2 million; 28,000 students will get scholarships and bursaries this year alone.

The Deputy Speaker: First supplemental, hon. leader.

Dr. Massey: Thank you, Mr. Speaker. Again to the same minister: given that remission currently benefits only students who accumulate more than \$5,000 a year in student loan debt, when will this government allow remission for a portion of the student loans of all students?

Dr. Oberg: Mr. Speaker, I would suggest that that's an absolutely wonderful question for the federal government, which does not have any remission loan program.

Dr. Massey: Again to the same minister: given that not all parents give financial support to their children for further education, when will this government eliminate parental contribution requirements for the student loan program?

Dr. Oberg: Mr. Speaker, each and every student has the ability to appeal their student loans. Indeed, each and every year we get students who say that their parents will absolutely refuse to put any money in regardless of the amount of money that the parents make. We look very carefully at each and every one of these appeals, and the majority of appeals, if they are true, will go through, and the students will receive the student loan.

Mr. Speaker, I really must say that the Alberta student loan program is by far the best in Canada. We provide 55 per cent of the student loan dollars. Every place else in Canada it's 40 per cent with the federal government at 60 per cent. Alberta provides 55 per cent, and the federal government provides 45 per cent.

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

Provincial Tax Policy

Dr. Pannu: Thank you, Mr. Speaker. Budgets are about priorities, and yesterday's provincial budget speaks volumes about the priorities of this government. Frankly, other than some election-cycle goodies for municipalities, health authorities, and school boards, there's little or nothing in the budget for middle-class families, seniors, and working Albertans. Meanwhile, the corporate elite, the already well off, and the horse racing set scored big. My questions are to the Minister of Finance. Why is the government for the third year in a row hitting up homeowners and small businesses with \$77 million in school property tax hikes while cutting taxes for large, profitable corporations by \$142 million?

Mrs. Nelson: Mr. Speaker, if the hon. member opposite had listened to the budget, he would have recognized that there was not only a corporate tax reduction of 1 per cent, there was also a small business reduction of 1 per cent that came forward, and personal income tax rates that are indexed were protected so that \$150 million would be saved from personal income taxes by all Albertans in one year alone. In addition to that, the school property tax rate was reduced by 2.3 per cent.

I'll ask the Minister of Municipal affairs to respond on that as well as the Minister of Learning.

The Deputy Speaker: Before we go from one to the other, it might be instructive, hon. member, if you are asking a question of a minister, that your seatmate doesn't answer all of the questions. One minister is going to reply – the Minister of Municipal Affairs – and then we'll go to your second question.

Mr. Boutilier: Well, thank you, Mr. Speaker, for that enlightenment. I would like to say simply this: the pie is growing. When people come to this province of Alberta, they don't bring the roads, they don't bring their schools, they don't bring their hospitals. It's a wonderful problem to have in Alberta simply because the Alberta advantage is alive and well. I think everyone in this House, including the opposition, agrees with that. Don't they?

I would ask the Minister of Learning to supplement. The Learning Commission recommendations, the work that we're doing in growing the pie in partnership with all of these stakeholders, separates us from every other province in Canada to the point that every other province in Canada is looking at Alberta's tail lights.

The Deputy Speaker: The hon. leader. First supplemental.

Dr. Pannu: Thank you, Mr. Speaker. So it's clear that the government doesn't apologize for increasing taxes on homeowners.

How can the Finance minister's nose fail to grow when by focusing solely on the mill rate, she is trying to fool Albertans into thinking their school property taxes are being cut when the province's property tax take is in fact going up by 5.7 per cent?

The Deputy Speaker: Before I call on the hon. minister, just remember that the question is supposed to be without a preamble and must not be argumentative. Long noses and all the other things are something that really is not part of a legitimate question.

Mrs. Nelson: Well, Mr. Speaker, this can't be that hard to comprehend. Number one, we have reduced the school property tax rate by 2.3 per cent. We've had a migration to this province that is unprecedented, last year, the year before, and expect that we're going to have it again this year. So there will be more people coming into the

province to pay the reduced school property tax rate that I've lowered by 2.3 per cent. So when you have more people coming here and paying into the system, then you collect more money. The base grows. That can't be so hard. The pie, as the Municipal Affairs minister said, gets bigger, but the rate went down.

Maybe the Minister of Learning would like to respond.

The Deputy Speaker: Very briefly, Minister of Learning.

Dr. Oberg: Very briefly, Mr. Speaker. I have been in this Legislature as Minister of Learning for very close to five years.

An Hon. Member: How long?

Dr. Oberg: Very close to five years.

Mr. Speaker, over those five years I've heard time and time and time again from the New Democrat opposition about putting more money into Learning, about raising taxes: go ahead and raise taxes; put it into Learning; that's where the money goes. Well, what has happened here today is that we have received \$77 million more tax money because there are more people moving into Alberta. The market assessment has gone up. I can't believe what I'm hearing. The New Democrats are now saying that they don't want that money to go into Learning.

The Deputy Speaker: Final supplemental.

Dr. Pannu: Thank you, Mr. Speaker. Why is the Finance minister defying the will of the Tory backbenchers through a sneaky 5.7 per cent increase in school property taxes when a motion was passed two weeks ago in this House, with the support of both sides of the House, urging the government in fact to phase out school property taxes?

2:00

Mrs. Nelson: Well, Mr. Speaker, to sustain the system, quite clearly there has to be revenue that goes into the system. The vehicle we have today is to put an assessment for the school tax on the property. This budget said: let's not just keep it whole; let's reduce the school tax rate by 2.3 per cent. As the Minister of Learning explained, because there are more people coming to the province and living in the province, they are also contributing to the school property tax assessment on an annual basis. So when you have more people paying, more money is collected. Surely the hon. member opposite can grasp this.

The Deputy Speaker: The Minister of Revenue.

Mr. Melchin: Thank you, Mr. Speaker. I just think it's important to recognize that we did actually decrease the mill rate for education property taxes. We are looking to see that that tax load is then evenly distributed across the province. To compare it to the corporate income tax reduction is unfair because they don't tell the good story about what happens. When you reduce the taxes to the business community, they actually have a chance to retain more money in their own businesses to create more jobs and more opportunities for Albertans. We see that all the time. More companies are coming here because of those policies, and it helps pay for education.

The Deputy Speaker: The hon. Member for Calgary-Bow.

Assured Income for the Severely Handicapped

Ms DeLong: Thank you, Mr. Speaker. The 2004 budget for Alberta Human Resources and Employment identified a \$20 million increase

for the assured income for the severely handicapped, or AISH, program over last year. The maximum financial benefit a person may receive through AISH is \$850 per month. My question today is for the hon. Minister of Human Resources and Employment. Within the city of Calgary alone there are more than 8,000 people receiving AISH, 450 of which reside in my constituency. Will they be getting an increase in their monthly cheque?

Mr. Dunford: Mr. Speaker, I want to just briefly talk about the AISH program. In the budget we'll now be providing \$394 million in AISH payments and benefits for approximately 32,000 severely disabled Albertans. Yes, the member is quite right; we have a \$20 million increase, actually about a 5 per cent increase in our budget. But I want to inform the member that asked the question and inform all members of the House and all Albertans as well that these clients will not see an increase in the income level of \$850 per month.

Ms DeLong: Well, if the AISH program is receiving an extra \$20 million for this year, where is the money going?

Mr. Dunford: The \$20 million that we've provided for the AISH program is really going to two particular areas. One, of course, is extremely important, and that is for the medications. The health benefit plan that we have for AISH clients, while not figured into the \$850 monthly income, is a tremendous benefit. Of course, part of the medical card that we provide to them provides for their medications. It's very, very important that we stay up to date with those medications. But as others in the House have indicated, we are seeing substantial growth in the cost, then, of prescription drugs here in this province.

The Deputy Speaker: Final supplemental.

Ms DeLong: Yes, Mr. Speaker. You said that the high cost of health benefits is what's consuming the greater portion of your budget increase. What do you plan to do to ensure that AISH recipients get the monthly income that they need to cover their food and shelter?

Mr. Dunford: There's a discrepancy in the AISH program that has to be looked at. I want to advise the member and again all members of the House that we will be putting together a formal review of the AISH program, and we expect that to be up and running in September of this year.

The fundamental issue that we have to deal with in AISH, though, is this huge inequity between what people can and cannot have in terms of assets and still be eligible for AISH income. What we're finding is a growth in the actual numbers of AISH clients that we have. It's disproportionate to the demographics that are happening here in Alberta. So these and other matters surrounding the AISH program are going to have to be looked at. Obviously, one of the issues that would have to be dealt with at that time, as well, of course, will be the monthly income.

Again, to answer you, Mr. Speaker, and all Albertans, there is no increase in the AISH income support program at this time.

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

Support for Low-income Albertans

Mr. MacDonald: Thank you, Mr. Speaker. This government continues to show disrespect and neglect for the poor and the unfortunate. After saddling Albertans yesterday with more health

care taxes, recreational user fees, and education costs, this government continues to subsidize the horse racing industry while here in Edmonton 1 in 5 children lives in poverty. Now, with the latest \$45 million injection, the horse racing industry has over the past four years tucked \$130 million into their silks. My first question is to the Minister of Seniors. Given that this government cares more about horses than they do about the homeless, why did this minister allow support for homeless people to go down by almost \$1 million in the budget while the horse racing industry sees an amount of \$45 million set aside for their use?

Mr. Woloshyn: Well, I don't quite follow where the member is going, but I will say this much. In Edmonton and in Calgary we provided sufficient spaces for the homeless so that nobody was left out in the cold. We will continue to meet our obligations and to work with the operators to ensure that the unfortunate people of this province are looked after, whether they be homeless, whether they be seniors or anyone else. That, Mr. Speaker, is about all I can say to that mundane question.

Mrs. McClellan: Mr. Speaker, I think that certainly we've got to set the record straight on this, at least the preamble of this. This has become a common occurrence in this Legislature, unfortunately, but in talking to some people who listen to question period, they're not fooling anyone because, fortunately, most people who watch this comprehend these programs better than the people opposite either can or want to.

Mr. Speaker, \$45 million is not being handed to the horse racing industry, an industry which, I might say, employs 7,000 people, many of them just up here in the Member for Edmonton-Highland's area. Seven thousand people employed. The \$45 million can be earned – earned – by the horse racing industry through a racing entertainment centre where there was a commitment to a number of slot machines that would be available, and those proceeds could go partially to the industry. I would remind the hon. members that 33 and a third per cent of that money also comes into this government's revenues to provide programs for all citizens.

Mr. Speaker, to say that this government gives, explains exactly what this group knows about business. This is not an entitlement. These people earn this money, or they don't get it. You wouldn't understand that. You wouldn't get it.

2:10

Mr. MacDonald: This side of the House cares about hungry children.

Now to the Minister of Human Resources and Employment: where's the increase for people relying on AISH and SFI? Their supports haven't gone up. Inflation has gone up. While the horse racing industry has seen \$45 million set aside for it, where's the money for the homeless?

Mr. Dunford: Well, that was quite a barrage. Maybe we could take one question at a time over the next week.

Certainly, I've answered in the House today about AISH, and I think our little press conference that we'll have next Monday would be open, and I'd expect to see him there when we talk about what will happen in terms of support for welfare folks.

The Deputy Speaker: Thank you.

Final supplemental, Edmonton-Gold Bar.

Mr. MacDonald: Thank you very much, Mr. Speaker. Again to the Minister of Human Resources and Employment: why, when over

16,000 families in Edmonton earn less than \$15,000 annually, does this government see fit to set aside \$45 million for the horse racing industry and nothing at this date for those families?

Mr. Dunford: I quite liked the answer of the Minister of Agriculture, Food and Rural Development. If the hon. member were to think this thing through, he would understand that that particular industry and the number of jobs that the minister was talking about explains to some extent the kinds of situations that are provided to our clients.

One of the things that will be noticed over time, of course, is that in our budget we are focused and concentrating on skills development training, and through that we'll move these people up in the income levels.

The Deputy Speaker: The hon. Minister of Gaming has indicated that he'd like to supplement.

Mr. Stevens: Supplement briefly, Mr. Speaker. I think that the members opposite, particularly those in the Liberal opposition, ought to spend more time talking to people in their community and people throughout this country with respect to the support that this government provides to Horse Racing Alberta. In particular, I think the hon. Member for Lethbridge-East and the hon. Member for Edmonton-Ellerslie ought to pay attention.

Dr. David Reid is the chairman of Horse Racing Alberta, and the office of the Prime Minister of Canada wrote a letter to Dr. Reid commenting on an article in *TROT Magazine* showcasing Horse Racing Alberta and its chairman, Dr. Reid, and talking about challenges, including the introduction of slots at the racing entertainment centre and the racing industry renewal initiative.

In that letter from the office of the Prime Minister of Canada the following things were said.

I am delighted that someone with your capabilities has stepped forward to take a leadership role.

... when horse racing in the Province of Alberta seemed to be suffering flu like systems, someone asked "is there a doctor in the house", and who should step forward but Dr. David Reid. Bravo ...

Thank you for your commitment to a wonderful sport.

Mr. Speaker, for the gratification of the members opposite I will obviously table this letter at the appropriate time.

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

School Library Programs

Mr. Maskell: Thank you, Mr. Speaker. A few years ago there were 550 teacher/librarians in our schools in Alberta. Today there are 100 or perhaps fewer. School library programs properly equipped and staffed can account for improvements of 2 to 9 per cent in student achievement, a result we all appreciate. The Learning Commission recommended that adequate library/resource room teachers be available. My first question to the Minister of Learning: as the government has accepted the Learning Commission's recommendation to increase the number of teacher/librarians, what plans are in place to achieve this?

The Deputy Speaker: The hon. minister.

Dr. Oberg: Thank you very much, Mr. Speaker. Obviously, librarians of any sort are very important. Libraries are a very important part of our Alberta society, and it's an important part that

everyone in this Assembly and certainly most people in Alberta truly value.

Mr. Speaker, when it comes to the teacher/librarian, as the hon. member has noted, the Learning Commission recommended that there be an increase in teacher/librarians. The Learning Commission also recommended the funding formula, which gives flexibility to school boards.

When you take these two together, what it means is that the dollars should be put in so that the school boards have the flexibility to hire teacher/librarians if that's their priority, and that's exactly what will happen. The school boards will be the ones who put the money to the teachers, to the teacher/librarians, to their priorities about what they see as being important within their education system.

They have asked me for this as Minister of Learning. They have consulted with me on the funding formula, and indeed, Mr. Speaker, the funding formula was just announced today. I hope that some of these dollars will go to teacher/librarians, but I also hope that the dollars are spent in the absolutely best fashion possible for the students of Alberta.

Mr. Maskell: My final question to the same minister: will postsecondary institutions have the necessary resources and support to train teacher/librarians in adequate numbers?

Dr. Oberg: Mr. Speaker, postsecondary institutions in this budget saw an increase of 4 per cent. This was twice the increase that they were expecting. They also saw an increase of \$24 million for access projects. When it comes specifically to the departments of education, we put out roughly 3,000 teachers a year, and certainly teacher/librarians are an element of that.

Mr. Speaker, the money is there. If the departments of education feel that this is a priority, then that is the direction that they will go. I know that libraries are such a crucial part of the education system that they certainly will be moving in that direction.

User Fees in Provincial Parks

Ms Carlson: Mr. Speaker, in yesterday's budget the government announced a new list of user fees for provincial parks. To the Minister of Community Development: why is this ministry choosing to further cripple school budgets by charging for educational programs in provincial parks?

Mr. Zwodzesky: Mr. Speaker, nobody is crippling any school budgets through these new fees and/or increased fee ranges that we're having to introduce in our provincial parks. They will be treated just like any other field trips are, where if I as a parent wish to have my child go on a field trip, I put in the dollar or \$2 or whatever it is to help make that happen.

Let me just say that the surveys that we did throughout our provincial parks system over the last couple of years firmly indicated that the vast majority of individuals who responded to those surveys said: we don't mind if you're going to put in some new fees or increase some of our existing fees provided that the revenue you earn from those fees goes right back into those same programs. That's precisely what we're going to do.

Ms Carlson: Mr. Speaker, to the same minister: why is a province with such a huge surplus charging skiers a nickel-and-dime fee for trail grooming, which is a relatively inexpensive service?

Mr. Zwodzesky: Well, Mr. Speaker, having well-groomed ski trails throughout the parks areas where they are allowed is a very good

thing, and in order to keep up with the pace of demand and the high-quality conditions that people are expecting, we had to review how to keep that particular side of our operation as sustainable as possible.

We are adding some additional monies of our own, but as I indicated in the previous answer, in order to get to the place where we want to be, we want the general public involved with us in this, and they have not objected because they know that those particular small increases, which might range anywhere from \$2 to \$5 only, are by and large quite affordable. Most people who are out cross-country skiing don't mind paying that little increase in the fee as long as they see the benefit that'll come from those revenues going to improve the trails that they are so pleased to enjoy.

Ms Carlson: To the same minister: why is this government spending millions on health and fitness initiatives such as the Healthy U program while implementing user fees that may prevent individuals, families, and schools from enjoying our provincial parks? This is a double standard.

2:20

Mr. Zwozdesky: Well, no, there's no double standard here whatsoever. I mean, none of these services come for free, Mr. Speaker, and I think it's important that we have a system that applies to everybody. It is not just Albertans who use these trails and these interpretive centres and these park facilities. We have a lot of others who come visiting our province from other parts of Canada, from other parts of the world, and they are absolutely delighted with the high-quality groomed trails and/or interpretive centres or whatever have you that they experienced in this province.

This is simply one way of helping us to continue providing that service, and as I indicated earlier, it has been arrived at after studying very carefully a lot of the surveys that were responded to.

The Deputy Speaker: The hon. Member for Calgary-Buffalo.

Electronic Health Records

Mr. Cenaiko: Thank you, Mr. Speaker. Last week the Minister of Health and Wellness talked about the benefits of an electronic health record, specifically how this system will help to increase patient safety and reduce duplication. It remains unclear to me how we are reducing duplication with electronic health record development activities underway at the provincial level and at the health region level. My question is to the Minister of Health and Wellness. Can the minister assure Albertans that we are in fact building one province-wide system and not nine incompatible or fragmented systems?

Mr. Mar: Mr. Speaker, in short, I can say that the answer is yes. There are efforts that are taken at two different levels, but those efforts are being complemented by one another. They are not fragmented. Regional health authorities are developing electronic health records at the local level, but provincially we are also working to link all regional health authorities together plus pharmacies plus physicians throughout the province.

Because the Department of Health and Wellness has been working with stakeholders from the very outset, we have got a collaborative approach that is ensuring that we meet common objectives and common technology standards, which, of course, is critical to ensure that these systems work together with one another.

Mr. Speaker, in short, we are linking systems to make sure that health care providers do have the patient information that they need at the point of care to make the best care decisions for individuals.

The Deputy Speaker: First supplemental, Calgary-Buffalo.

Mr. Cenaiko: Thank you, Mr. Speaker. My first supplemental is to the same minister. With each region building and linking their own health information systems, how does this government plan to efficiently and effectively link all the systems together and how long will this take?

Mr. Mar: I wish to say at the outset in answering this question, Mr. Speaker, that governments all over the world are recommending electronic health records to improve patient safety. System users that are already involved in the system have told me about the impact that this has had on the quality of care for their patients. Doctors have been able to avoid invasive procedures. They have avoided duplicate lab tests. They've avoided harmful drug interactions.

We are deploying it province-wide right now, Mr. Speaker. I'm pleased to report that 4,000 health providers are already linked in to the system. By the summer of 2005 I expect that all regional health authorities, 830 pharmacies, and about 40 per cent of practising physicians in the province will be using the Alberta EHR.

So, Mr. Speaker, this is moving. We're expressing good progress. By the summer of 2005 we'll be able to report even better progress.

Mr. Cenaiko: My final question is to the Minister of Innovation and Science. What is his ministry doing to ensure that all government departments will be systems compatible?

Mr. Doerksen: Mr. Speaker, I think the first point that needs to be made is that whether you're in a corporate environment or a government environment, like we are in, information technology is a tool, a tool for business transformation, and that is the objective of and that is what's happening with the electronic health record. It is an application that transforms the way we deliver health care in this province.

The Ministry of Innovation and Science through a government of Alberta enterprise architecture strives to make sure that we are operating from the same platform, using common systems, common technology, to make sure that we can deliver those business transformation applications effectively and efficiently. To that end, we've also recently assigned a corporate chief information officer at a deputy minister level to ensure that all government departments are aligned with those objectives, and Alberta Health and Wellness is a major contributor and participant in striving toward reaching those objectives.

Ms Carlson: Speech.

Mr. Doerksen: Well, this is a very important question, member.

We are trying to encourage the regional health authorities to work in the same direction because this is an important tool for the delivery of health care.

Private/Public Partnership Projects

Mr. Bonner: Mr. Speaker, in yesterday's plan for the 2004-2005 budget the government announced that approximately \$700 million will go towards two identified P3 projects over the next three years: the Calgary court centre and the Edmonton southeast ring road. To the Minister of Infrastructure: does the amount of \$700 million include the annual lease payments and the principal and interest costs of these projects for the duration of the agreements?

Mr. Lund: Mr. Speaker, I think it's really important to understand

that, in fact, the accounting of the P3s – what the member is referring to is not a cash payment. In fact, both the ring road and the courthouse would actually be – part of it is in this three-year plan, but part of it is out beyond the three-year plan as well.

The Deputy Speaker: First supplemental, Edmonton-Glengarry.

Mr. Bonner: Thank you, Mr. Speaker. To the same minister: what does this ministry anticipate the annual lease payments and principal and interest costs will be for each of these projects per year?

Mr. Lund: Mr. Speaker, of course, the ring road is not in this department, but the P3 proposal for the courthouse is. You've heard many times in the House this member trying to talk down the P3 process. Even as late as yesterday I remember that he was asking a question and suggesting that other governments were not supporting the P3. It's really quite interesting because the last time I looked, it was a Liberal government in B.C., and they're proposing P3s. They've got a hospital on the go. The last time I looked, it was a Liberal government in Ontario. They were talking about two P3 hospitals. In fact, the federal government is setting up a secretariat to look at P3s.

Yesterday the member also commented about the quality within the hospital, so I would really be very anxious that the Minister of Health and Wellness supplement my answer.

Mr. Bonner: Well, Mr. Speaker, given that the minister has not answered either of the first two questions, could he please tell us which other P3 projects besides the southeast Calgary hospital the government is considering whose funding will come from the remaining \$525 million?

Mr. Lund: Mr. Speaker, I take exception to part of his preamble in as much as I never answered the first question. I told the member if he was listening that, in fact, the total budgeting for those two P3 projects goes beyond the three-year business plan. As far as the lease payments are concerned, you'll have to talk to the Minister of Transportation on that one. You will know the lease payments as far as the courthouse is concerned once we sign the final agreement. That has not been completed yet. It still has some processes to go through, so we don't know exactly what it's going to be.

On the quality of health provided in hospitals, I would urge the Minister of Health and Wellness to supplement.

Mr. Mar: Mr. Speaker, I think the actually more interesting question should be asked of the Member for Edmonton-Riverview, who this morning was asking rhetorically on the radio why we don't have a Harvard university type facility here in Alberta or a Johns Hopkins medical centre. So it seems to me that it's actually the hon. member's seatmate who was actually proposing ideas that are far, far more dramatic. The last time that I checked, those were entirely private facilities.

The Deputy Speaker: In the next 30 seconds I'm going to call on the hon. Member for Red Deer-North, then Edmonton-Mill Woods, then Calgary-Currie, and then Edmonton-Ellerslie.

Would the Assembly agree to a brief reversion to Introduction of Guests?

[Unanimous consent granted]

head: 2:30 **Introduction of Guests**
(reversion)

The Deputy Speaker: The hon. Member for Edmonton-Calder.

Mr. Rathgeber: Thank you very much, Mr. Speaker. It is indeed a pleasure for me to rise and introduce to you and through you to all Members of the Legislative Assembly 35 high school students from Ross Sheppard high school, located within the Edmonton-Calder constituency. They've been attentively viewing question period, and we'll be meeting for a photograph shortly. I'd ask them to rise along with their teachers and leaders Rick Magee, James Kosowan, Curt Cummings, and Erin Quinn. They're in the public gallery, and I'd ask all members to welcome them to the Assembly.

head:

Members' Statements

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

Red Deer College Kings Volleyball Team

Mrs. Jablonski: Thank you, Mr. Speaker. The Red Deer College Kings volleyball team has played hard enough and smart enough to win the Canadian national championship five years in a row. It was the Kings' seventh national crown in the last 10 years. This is a dynasty that sets the pace and that every competitive men's volleyball team is aiming to beat.

The Red Deer College Kings have been crowned national champions five consecutive years. This is the second longest winning streak in CCAA history, one behind the Limoilou Titans from Quebec City, who started their string in 1984. The Red Deer College Kings will make a run at tying Limoilou College next year, when the pressure to win will be even greater.

The number one coach in Canada is Keith Hansen, who has been the RDC head coach for the past six years. He is a former assistant coach with Canadian junior and senior national teams. A great team can only be as great as its coach, and we are honoured and proud to have Keith Hansen as the driver behind this team.

This year's secret to being a championship team is summed up by Adam Roth, a second-year member who accepted the Mazda 2004 Canadian colleges men's volleyball championship trophy and banner. Adam, who is expected to return next year, said: the thing is with this team, everyone can step in and do the job; we have tremendous depth; that's what makes us that much better.

Mr. Speaker, I ask the Members of the Legislative Assembly of Alberta to join me in congratulating Matt Harris, Aaron Yasinski, Blake Henwood, Scott Weninger, Mark Dodds, Pav Kucharski, Marc Dickner, Troy Jaggard, Adam Roth, Matt Anderson, Craig Marshall, Mac Kucharski, Dallas Soonias; their head coach, Keith Hansen; their assistant coaches, Trevor Pikkert and Kevin Tennant; and their athletic therapists, Heather Fletcher and Terri Smyth. Congratulations.

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

Postsecondary Tuition Fees

Dr. Massey: Thank you, Mr. Speaker. This government's actions speak louder than its words. The government says that it wants Albertans to stay in school and pursue a postsecondary education, but that's not what the 2004-2005 budget tells Alberta students, who have high hopes for some relief from escalating tuition costs. The government spoke volumes to postsecondary students about how it is unacceptable for a province to be in debt while encouraging students to start their careers with a mountain of debt to pay off.

There was so much more this government could have done to help students aside from just letting them borrow more money and more money for their education. This government needs to develop and to adhere to a plan for long-term, adequate, and sustainable funding

for postsecondary education. It needs a plan that will ensure that Albertans have access to an affordable, high-quality education.

The University of Alberta Students' Union has some ideas on how this could be accomplished. They would start with a commitment from the government to freeze tuition and fund the difference in revenue to postsecondary institutions. The students also want the government to increase base operating grants to universities to a degree that would make a difference to institutions like the U of A, which is facing a \$28.7 million shortfall this year.

There are also improvements to be made to the student loans program. I often hear from students whose parents do not contribute financially to their education and who are ineligible for loans due to the parental contribution requirement. In the interest of fairness the parental contribution should be removed. The government could also help students relying on loans for an education by remitting debt over \$5,000 or 25 per cent of any student loan, whichever is most beneficial to the student. This would be a vast improvement to the current program, that only remits a portion of annual debt over \$5,000.

There are many ways in which this government could be helping Alberta's present and future postsecondary students. They would most benefit from a long-term plan, a plan aimed at ensuring that our universities, colleges, and technical schools are affordable, accessible, and focus on the best interests of the students.

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

Telework

Mr. Lord: Thank you, Mr. Speaker. The Industrial Revolution changed our world two centuries ago. Among other things, massive numbers of people in rural areas moved to cities to obtain higher paying city jobs, and rural life was completely altered as a result. Now a new revolution is taking place, creating an enormous economic opportunity to reinvigorate rural areas again, providing city jobs and paycheques to people living and enjoying a country lifestyle. That is not all. It's also the greatest opportunity to enable disabled people to earn a good living with dignity. In fact, this new revolution has a plethora of other benefits for everyone in society today.

It's called teleworking, working from home on your computer, and it is rapidly sweeping the employment world. Because we have the SuperNet, Alberta is uniquely positioned to lead the way in Canada, which is good because Canada is actually falling way behind. According to Bob Fortier, one of Canada's foremost telework pioneers, Canada has finally reached an estimated 1 million teleworkers nationally today, but compare that to the U.S., now at 28 million, up 17 per cent just in the last year alone.

Obviously, teleworking is going to be having major impacts on employee recruitment and retention, even here in Alberta, very quickly if we aren't offering similar opportunities. People don't even have to move any more. The great Canadian brain drain is rapidly becoming virtual.

We do have some success stories. In Calgary we have people working full-time at jobs in Toronto out of their house in Calgary. We have eCampus Alberta and teachers with virtual classrooms with dozens of students right across the country. We have real estate agents who don't go into offices any more, thus avoiding two-hour commutes each day, reducing traffic, saving office rent. We even have doctors diagnosing people on the far side of the planet. Maritimers are leading in distributed call centres, farmwives working out of their own homes answering calls for utility companies around the world.

The opportunities are endless, the benefits profound, but Canada is falling behind. The web site of the Canadian Telework Association and InnoVisions Canada is www.ivc.ca, and it will tell us a lot about what we need to do in Canada and Alberta today. I urge all employers to take a look at it; your business might depend on it.

Thank you, Mr. Speaker.

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

Alberta's Boreal Forest

Ms Carlson: Thank you, Mr. Speaker. Canada contains over a third of the world's boreal forest, one of the three largest frontier forests remaining on the planet. Overall it spans 12,000 kilometres, nearly 11 per cent of our planet's total surface. This makes it the biggest terrestrial ecosystem on Earth and our most prominent symbol of wilderness here in Canada. In Alberta, however, this significance has yet to be fully recognized.

A scientific report released in 2003 entitled *State of Denial* contains a chapter dedicated to the boreal and targets Alberta as a province where rapid drilling for oil and natural gas along with logging are inflicting major damage to Alberta's boreal forest. With industrial activity at all-time highs, Alberta now finds itself at a defining moment in its forest management. As aptly put by Richard Schneider in his book *Alternative Futures: Alberta's Boreal Forest at the Crossroads*, "Given that most of the northern forest in Alberta is publicly owned, the desired future forest is defined by the values held by the citizens of Alberta."

These values are reflected in the Alberta forest conservation strategy, which has as its goal the maintenance and enhancement of our forest ecosystems so that present and future generations can enjoy and benefit from them. Most importantly, this strategy envisions an Alberta with vast pristine forests whose ecosystems thrive thanks to the help and participation of all Albertans.

But something has gone wrong. At present clear-cuts combine with oil and gas activity to create unprecedented scars on the landscape. Our most diverse and productive forest ecosystems are undergoing widespread development resulting in fragmentation by roads, access routes, and excessive logging. This cumulative damage is leading to the destruction of much of the boreal here in Alberta.

Given the state of Alberta's forests and in particular the boreal, the government must start to apply its knowledge to a forest management strategy that reflects sustainability and respect for natural places. Although the boreal forest presents a seemingly endless expanse, it does in fact have limits, and they are now being reached.

Thank you, Mr. Speaker.

head: 2:40

Presenting Petitions

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

Mr. Mason: Thank you very much, Mr. Speaker. I'm presenting a petition signed by 157 Albertans petitioning the Legislative Assembly to urge the government of Alberta to "return to a regulated electricity system, reduce power bills and develop a program to assist Albertans in improving energy efficiency."

head:

Notices of Motions

The Deputy Speaker: The Deputy Government House Leader.

Mr. Zwodzesky: Thank you very much, 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 28, 29, 30, 31, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, and 45.

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 14, 15, 16, 17, 18, 19, 23, 24, 25, 26, 27, 28, 29, 30, 31, 34, 35, 36, 37, 38, 39, 40, 41, 42, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 90, 93, 94, 96, 97, 98, 99, 100, 101, 102, 103, 106, 107, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 159, 160, 162, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, and 180.

The Deputy Speaker: Hon. Deputy Government House Leader, I won't ask you to repeat them because you spoke too fast for me to write them all down, but maybe when we get another long list of numbers like that, it would be helpful to say: from 44 to 79 and then 81 to whatever. Anyway, well done.

head: **Tabling Returns and Reports**

The Deputy Speaker: The hon. Minister of Transportation.

Mr. Stelmach: Well, thank you, Mr. Speaker. It's my pleasure today to table with the Assembly the required number of copies of Alberta Transportation's three-year construction and rehabilitation program. This is to be completed or undertaken between 2004-05 and 2006-07. This is for all provincial highways including the north/south trade corridor and the Edmonton and Calgary ring roads. We're also including the required number of copies of the provincial water management projects for the same years.

Thank you, Mr. Speaker.

The Deputy Speaker: The hon. Minister of Government Services.

Mr. Coutts: Thank you, Mr. Speaker. I'm pleased today to table the appropriate number of copies of the 2002 vital statistics annual review. This review summarizes all births, marriages, deaths, and stillbirths that occurred in Alberta during 2002.

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

Mr. Zwodsky: Thank you, Mr. Speaker. I rise today to table the appropriate number of copies of the Persons with Developmental Disabilities annual report for 2002-2003 as assembled by our PDD Provincial Board in Alberta. Individuals and families and agencies involved in the important work of PDD are obviously very important, and I would draw all members' attention to the important material in these tablings.

Thank you.

The Deputy Speaker: The hon. Minister of Gaming.

Mr. Stevens: Thank you, Mr. Speaker. I wish to table the appropriate number of copies of a letter which I referred to in a response to a question during question period. It's a letter from the office of the Prime Minister of Canada to Dr. David Reid, chairman, Horse Racing Alberta.

The Deputy Speaker: The hon. Member for Peace River.

Mr. Friedel: Thank you, Mr. Speaker. It's my pleasure to table the requisite number of copies of the Northern Alberta Development Council annual report for the year 2002-2003. This is a masterpiece of a document. I'm sure everyone will want to go out and get a copy of it. It is excellent reading.

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

Dr. Pannu: Thank you, Mr. Speaker. I rise to table five copies of a document which is really the news release issued by the Health Sciences Association of Alberta on March 24, 2004, in which the association draws attention to the fact that both this provincial government and the federal government have been guilty of not funding health care either on a predictable basis or on a stable basis.

Thank you, Mr. Speaker.

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

Mr. Mason: Thank you very much, Mr. Speaker. I'm tabling the appropriate number of copies of a release from the Alberta Federation of Labour. The release, entitled Budget Again Comes up Empty for Average Albertans, expresses the view of the Alberta Federation of Labour with respect to yesterday's provincial budget.

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

Ms Blakeman: Well, thank you very much, Mr. Speaker. I'd like to table five copies of the document that I quoted from during question period, and that is a document released by the Seniors' Action and Liaison Team in which they are deploring "the repeated efforts by the Alberta Government to claim health care is not sustainable" and expressing their disappointment on what's not contained in the budget, especially around items for seniors.

Thank you very much.

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

Mr. MacDonald: Thank you very much, Mr. Speaker. Given that the auto insurance freeze hasn't worked for at least one constituent of Edmonton-Gold Bar, I would like to table a letter dated March 23, 2004, that I received from the hon. Minister of Finance in regard to the insurance policies and the temporary measure of the auto freeze until Bill 53 comes into style.

Thank you.

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

Mr. Lord: Thank you, Mr. Speaker. I rise today to table the requisite number of copies of a very interesting article pointing out the many benefits of electricity deregulation. It highlights the fact that governments that privatize electricity generators provide their citizens with cheaper dependable power and asks why Ontario is headed into the darkness.

Thank you, Mr. Speaker.

head: **Tablings to the Clerk**

The Clerk: I wish to advise the House that the following document was deposited with the Office of the Clerk on behalf of the hon. Mr. Stevens, Minister of Gaming, pursuant to the Government Accountability Act: the Alberta Gaming and Liquor Commission business plan 2004-2007.

head: **Projected Government Business**

The Deputy Speaker: The hon. Opposition House Leader.

Ms Blakeman: Thank you, Mr. Speaker. Pursuant to Standing Order 7(5) I would ask the Government House Leader to please share the projected government business for the week of March 29 to April 1.

Thank you very much.

2:50

Mr. Hancock: Thank you. Mr. Speaker, on Monday, March 29, under Government Bills and Orders at 9 p.m. in Committee of Supply presumably the first item would be the Legislative Assembly estimates and then subsequently the estimates for International and Intergovernmental Relations, day 1 of 24. Time permitting, second reading on Bill 25, School Amendment Act, 2004; Bill 26, Teaching Profession Amendment Act, 2004; and Committee of the Whole on Bill 22, Election Statutes Amendment Act, 2004.

On Tuesday, March 30, in the afternoon under Government Bills and Orders in Committee of Supply pursuant to the calendar tabled, day 2 of 24, designated for the Department of Sustainable Resource Development and, time available, second reading on bills 25 and 26 and Committee of the Whole on Bill 22. Tuesday, March 30, at 8 p.m. under Government Bills and Orders for Committee of Supply, day 3 of 24, the Department of Community Development. Now, that is a deviation from the tabled agreed calendar which I understand has been worked out by the departments involved and the opposition and is acceptable to them. I don't have personal knowledge of that, so in the event that that's not the case, then it would revert to the one that's on the calendar, which is the Department of Revenue. We'll have to ascertain that. Thereafter second reading on bills 25 and 26 and Committee of the Whole on Bill 22, if time permits.

On Wednesday, March 31, under Government Bills and Orders in the afternoon, Committee of Supply, day 4 of 24, designated for the Department of Government Services. Time remaining or available, we might proceed with second reading of Bill 25 or Bill 26, if it has not previously been done, and Committee of the Whole on Bill 22. Wednesday, March 31, at 8 p.m. under Government Bills and Orders under Committee of Supply, day 5 of 24, the Department of Economic Development and, as indicated earlier, bills 25, 26, and 22, time permitting.

Thursday, April 1, in the afternoon under Government Bills and Orders for Committee of Supply, day 6 of 24, designated for the Department of Environment and, as indicated, second readings on bills 25, 26, and committee on Bill 22, should time permit. At that time it would be anticipated that we would adjourn pursuant to Government Motion 6, agreed to February 18, until Monday, April 19.

head: **Orders of the Day**

head: **Government Motions**

Provincial Fiscal Policies

13. Mrs. Nelson moved:

Be it resolved that the Assembly approve in general the business plans and fiscal policies of the government.

[Adjourned debate March 24: Dr. Massey]

The Deputy Speaker: The hon. Interim Leader of Her Majesty's Loyal Opposition.

Dr. Massey: Thank you, Mr. Speaker. I'm pleased to have this opportunity to make some comments about the budget.

I was interested, Mr. Speaker, that the Provincial Treasurer would draw upon Premier Rutherford for a model for her speech. She couldn't have chosen a much better model. Rutherford was a good Premier – a great Premier. He had great vision. He did a great deal with respect to infrastructure. He had ideas about education, and he even made himself the Provincial Treasurer and the education minister in his first cabinet. He was responsible for the University of Alberta being established in this city.

[Mr. Shariff in the chair]

Rutherford was a great Premier with great vision, and he was a Liberal. I can imagine the anguish in the Public Affairs Bureau as they wrote the speech and tried to turn Rutherford into something other than a Liberal. But a Liberal he was, and a Liberal he stays.

I think Rutherford must be resting a little uncomfortably in his grave today having had a Conservative Provincial Treasurer heap the praise on him that she did yesterday. I couldn't help but note the references in her speech to his vision and his determination that this province would have a good, sound infrastructure system.

If we look at the business plan, Mr. Speaker, of the Department of Transportation, I'm not quite sure that Rutherford would have been happy with a business plan or any kind of a plan that would see the roads in this province deteriorate or would have been happy with predictions that they should deteriorate. If you look at the 2003-2006 projections from the Transportation department, Albertans can look forward to fewer miles or kilometres of highway that are in good condition. The 2001-2002 results indicated 64.2 per cent were in good condition. That department predicts that by 2005-2006 the target will be 61 per cent.

So we're to have fewer miles of highway that are in good condition. The miles of highway that are in poor condition are 11 per cent today, and Albertans can look forward down the road to highways where 16.5 per cent are in poor condition. That wasn't Rutherford's vision.

If you look at some of the other measures, then, with respect to the infrastructure and look at the postsecondary institutions, the percentage in good condition today is 47 per cent. What's the projection? Only 45 per cent will be in good condition in 2005-2006. With respect to government-owned and -operated facilities over 1000 square metres, the percentage in good condition today is 57 per cent; the projection for the future is 53 per cent. The percentage in fair condition today is 40 per cent; projected for 2005-2006 is 44 per cent.

While the budget talked about infrastructure and the money that was going to be put into infrastructure, the plain fact of the matter is that Albertans are going to be driving on highways that are in poorer condition than they are today, and that is directly a result of the planning of this government.

The infrastructure was bad enough, Mr. Speaker, but I think what really struck me was the notion and the comment in the delivery that there was no room for pessimism in 1906 in Alberta and there's no room for pessimism today. I wondered, Mr. Speaker, how the people who are living on SFI and the people who are living on AISH allowances reacted to that. My question would be: why would they be optimistic? What relief do they see from trying to live on \$850 a month or a little more than a thousand dollars a month?

Mr. Speaker, if you look through the report that was delivered to us last week about our incomes in this Legislature and our expenses and then compare that to what we're asking fellow Albertans to live on, it's almost obscene.

An Hon. Member: Aren't you double-dipping?

Dr. Massey: Double-dipping, he says. You may want to look at your own benches: the minister of intergovernmental affairs, the other minister at the end of the bench there, a couple of other people in your caucus.

Dr. Taylor: Don, I don't even have an academic pension like you do.

Dr. Massey: That was because you weren't any good.

The Acting Speaker: Hon. members, the hon. Minister of Finance had the floor yesterday, and she was given the courtesy to deliver her budget without interruption. I hope that we can accord the same courtesy to the Interim Leader of Her Majesty's Loyal Opposition.

3:00

Dr. Massey: Thank you, Mr. Speaker. The fact of the matter is that we sit here and we enjoy very, very comfortable salaries, and there are people in our constituency offices every day struggling to pay power bills, struggling to put food on the table, struggling to try to make a living and try to raise their families. Most of them, through no fault of their own, have fallen on really very difficult times. The fact that our compassion is so limited has to be very, very disturbing. There have been pleas. There have been committees struck. There's been a lot of talk, but there's been little action with respect to those individuals.

If you look at the rates, they've barely changed since 1993. A single parent with two children under 11 gets a little over a thousand dollars a month and a severely handicapped a little over \$800. Mr. Speaker, those are disgraceful in a province as rich as this one is.

People on income support programs, Mr. Speaker, have 40 per cent less purchasing power than they had in 1993. Think of that. Think of your own budget having a drop of 43 per cent and the impact that that would have on your lifestyle. Income support rates were reduced almost 20 per cent in 1993, and inflation over the last number of years has further reduced the value by 20 per cent.

A key recommendation in the low-income review was that rates should be increased. The current benefits just do not meet the needs of those Albertans who have to rely upon them. Even the Mazankowski committee on health care recommended that the government ensure that the appropriate financial assistance is available to support children in poverty and low-income homes. We have to remember that it is really the children who end up suffering from these low rates, children who have no part in the decision-making, children who have by accident of birth found themselves in poverty. They are the people that we're ignoring.

The Minister of Human Resources and Employment accepted the principal recommendations of the low-income review committee to increase rates but so far has cited budget restraints for that not happening. I think that if you look at the polls, there is overwhelming support for making sure that we look after children who are living in poverty, and government action to that end I think has wide support. So the support for people on SFI and AISH was a jarring note in yesterday's budget, Mr. Speaker.

But there were other concerns. The postsecondary learning system has been drifting for the last 10 years. From the dramatic cuts that that system took, a 20 per cent cut in 1994, the institutions have never really recovered. If you look at that trend, 20 years ago a dollar that a student put into the postsecondary system was matched by \$10 in government support. Today for every dollar that a student puts into the system, it's matched by \$2.34. Mr. Speaker, I think that that speaks volumes about the kind of support, the withdrawal of support, that students and institutions in our province have suffered.

The students have made overtures to the government. They've put forward suggestions. They've told us about the kinds of difficulties they have in terms of having to complete programs over a longer period of time because of taking on part-time positions.

I hear often from the Minister of Learning about the loans that they have and how the remission programs make sure that they won't graduate with more than \$20,000 of debt. That's just not true, Mr. Speaker. The debt that the minister talks about is the public debt, the debt in the loans program. It says nothing about the private debt that many of those students are carrying – debt to family, to banks, credit card debt – in an effort to try to get what we encourage them to get, the best possible education, knowing full well that certainly they'll benefit. But the real benefactors are every individual in this province when we have better engineers, when we have better medical personnel, and when we have those professions filled with the most competent people that we can possibly produce.

So students and the institutions find themselves in difficulty. For the institutions there's not much choice. The funding from the province is inadequate, and the alternative for them is to raise tuition – it's the only other source – and go to private enterprise to try to get the funds they need.

I worry about them going to private enterprise, Mr. Speaker. Private enterprise doesn't invest in university and college and postsecondary research without some notion of payoff. I worry about the public research agenda when institutions are forced through the lack of funding to rely more and more and to curry favour more and more with private industry so that they can offer the courses and programs and conduct the kind of research that we expect of them.

Students have tried several times, I know, to work with the government to come up with some better solutions, but they were disappointed yesterday in the budget, Mr. Speaker. They believe that the government could have taken some actions. They believe, for instance, that they could have funded a tuition freeze. Tuition has tripled for students in the past decade, a rate that's far in excess of inflation. It's affecting participation rates, and it's also affecting who and how many students get into programs.

I talked to one of the executive members of one of the student groups, who indicated that she had made her decisions about postsecondary education partly, and for a good part, on trying to get a cheap program and a short program. She wanted a program that she could get into and get out of as fast as possible and that would cost her as little as possible. I'm appalled, Mr. Speaker, that we would have young people in our province using that kind of criteria to select a profession that they're probably going to be part of for the rest of their life. It's the wrong criteria. It's the last thing we should be asking students to do.

They suggested that we eliminate the parental contribution requirement for student loans. Not all students receive support from their parents while attending university, and there are various reasons for that. Some parents obviously can't afford to help. If you look at the recent study by the millennium scholarship fund, it showed that in fact Alberta families who earn over \$100,000 contribute less to the education of their offspring than do families who earn less than \$55,000.

A number of students have made the point that they have little connection to their families, that once they were 18, they were considered on their own, and they live an independent life. Yet when they go and apply for a student loan, the criteria that affects them is one that demands some parental contribution. It's a roadblock in the way of accessible education for some young people in this province.

3:10

An increase was one of the other suggestions, of course, and this, I think, affects mainly Alberta students who have to move into one of the urban centres for their postsecondary programs. It's the whole business of the cost of daily living. At just over \$700 a month for a student living away from home, the loans program just doesn't offer enough money for a student to study in this city or in Calgary.

I think that one of the things they ask – and if they're going to be borrowing the money, it should be honoured – is that at least the costs should reflect the cost of living. If we're asking a student from the north to come down to the city and to survive on the proceeds of student loans, we could at least expect that these loans would be issued with and would reflect some of the costs that those students are going to face when they get here.

They also would like the remission program to benefit all students and not just those who qualify for high debt loads, and that seems like a reasonable request, Mr. Speaker. The program would better serve Alberta students by allowing for those who have less than \$5,000 a year in debt to have a portion of that debt remitted. It would only seem fair that we treat all of those postsecondary students equally. The suggestion from the students at the U of A was that the debt remission over \$5,000 or 25 per cent of the loan, whichever is the greatest benefit to the student, might be a reasonable proposal.

They've also made a plea, because they get deeply involved in university and college and technical institute budgets, for the increase in base funding for the institutions. The U of A is facing a \$28.7 million shortfall this year alone. If you look at the astronomical rise in the energy costs that those institutions are facing, you can understand why students are so concerned that the base funding be looked at and revised. So students are left out of this budget, Mr. Speaker, and I think that they feel a little resentful that that has been the case.

The Learning budget is an interesting set of proposals. The minister today, following on the heels of the budget, announced a new funding formula, and I guess that what goes around comes around. The formula isn't really very new. In the early '90s before the . . .

Mrs. O'Neill: I can't believe it.

Dr. Massey: Well, you better believe it. Just listen.

Mrs. O'Neill: Don, you weren't around in the early '90s.

Dr. Massey: Where do you think I was?

In the early '90s the government put restraints, started enveloping the funds to school boards, and I remember sitting in this House, Mr. Speaker, while the government talked about how school boards were not spending the money properly and that there was a need for enveloping. So administration was enveloped.

Mr. MacDonald: Was the Minister of Energy in the Deep Six then?

Dr. Massey: Well, I think he might have been.

The programming component was enveloped, and that was done because these boards couldn't be trusted to spend the money properly. Well, the enveloping is gone, and now we're back to saying that school boards can spend as they see fit. Mr. Speaker, I agree with that. I think that's a good move. But as good as a funding formula is, it's no good at all if there aren't proper funds to put in place.

Mrs. O'Neill: It's a spending formula, not a funding formula.

Dr. Massey: I'm going to get to it. Don't get excited, St. Albert.

One of the things that the Learning Commission didn't address and what the funding formula still doesn't address is the base funding. The base funding still increases, as it has historically, by a certain percentage every year: 2 per cent, 3 per cent. There's some determination made of how much the Learning minister can put forward and how much is deemed an appropriate increase. It's an archaic system, Mr. Speaker, and it has been abandoned in other jurisdictions and very, very quickly.

Mr. Speaker, when we went back to the mid-90s, what the government did because of the inequities was take taxing authority away from school boards to bring all the money to the central government and then redistribute it on a per pupil basis. That, I think, was a move that most people applauded because of the inequities. We had jurisdictions like the county of Strathcona with a huge tax base spending way more per pupil on the students there than was the board, say, in the Peace River country, where there were fewer resources. We had huge inequities across the province, and students got funded, again, by accident of geography and not because of any rational relationship to the program costs.

The government saw that problem. Frankly, the trustee associations of the day – and I was part of those – have only themselves to blame for that, because there was a problem that had been around for . . . [interjection] Did you want to speak? I'll sit down. The Member for St. Albert wants to get up.

Speaker's Ruling Decorum

The Acting Speaker: Hon. members, I really do not like to interject at a time when the hon. Interim Leader of Her Majesty's Loyal Opposition is responding to this very important subject. As I indicated before, the Minister of Finance had the floor yesterday, and all courtesies were accorded to her so that she could deliver her address without interruption. I hope the same courtesies can be extended to the leader as well. Please do that.

The hon. Interim Leader of Her Majesty's Loyal Opposition.

Debate Continued

Dr. Massey: Thank you, Mr. Speaker. So, as I was saying, part of the problem was that the trustees of the day didn't address it. It was a \$30 million problem at the time, and it wasn't addressed.

Other systems elsewhere are not, looking at a shift in financing, thinking about the number of dollars being put into the system but the number of dollars needed to ensure some specific outcomes. Adequacy funding is being heralded, I think particularly in the States, but Ontario has made some recommendations with respect to moving to an adequacy funding formula. Adequacy, as I indicated before, was really predicated on the resources that the government had. So we had a 12 per cent cut in 1994 and then a 5.7 per cent increase this year.

Adequacy would turn things around. What adequacy does is look at schools and ask: what do you want to achieve? A number of jurisdictions have had to define that. The state of Wyoming decided that for their system students must leave high school with entry to some sort of a postsecondary program, qualified to enter some kind of a program. They have to be able to get into a vocational program. They have to be able to get into a postsecondary program of some kind. They have to be eligible to get into a continuing education program. So that, for them, is adequacy.

The state of Oregon has used as their definition of adequacy a series of reading tests at the high school level that all students must achieve. States like Maryland have 28 objectives that they have

indicated need to be met before students graduate. They start from that objective, and then they work backwards and say: "Now, what is it going to cost us? What do we need to do to reach those objectives?"

3:20

They have a number of ways of trying to determine that. They use an expert committee, and in some cases, Mr. Speaker, other jurisdictions have used statisticians to try to come up with a number. Other jurisdictions look at some of the most successful school districts in the country and say: how much did it cost them to get the kinds of results that they've obtained for their students? So a variety of ways of trying to determine what is adequate, and it means a major change in how schools and school systems operate. It's predicated much more on diagnosing and tracking of individual students. It means that schools have to change their organization, but it does provide schools with resources.

I looked at the Oregon model, Mr. Speaker. The requirements for teacher librarians, the requirements for counsellors, the requirements for summer school and for tutoring programs to make sure that youngsters meet the objectives have resulted in a great deal of increased funding. Again, I look at what we have and at the subsequent announcement today by the minister, and I'm left with the feeling that we can do better.

[The Deputy Speaker in the chair]

There are a number of other pieces of the budget, Mr. Speaker. I was waiting, as I think all parents were, to hear about the Learning Commission. We've had in this gallery every afternoon and every evening, I believe, since this session began, parents from Education Watch. I spoke to them yesterday after the budget. They were disappointed. The parents were disappointed because they had expected that there would be an itemization of the Learning Commission. They were looking for the dollars that were going to be attached to class size reduction. They were looking for the dollars that were going to be attached to kindergarten for children at risk. They were looking for . . . [interjection]

The Deputy Speaker: Hon. members, I'll put the hon. Minister of Environment down on my list.

Sorry, hon. leader.

Dr. Massey: Thank you. They were looking for the dollars that were going to be attached to the implementation of the First Nations, Métis, and Inuit policy framework. They were looking for the dollars that were going to be attached to the access to technology in schools. Since the Learning Commission made its report, they have been waiting and watching for the budget that came down yesterday. They were expecting that they would be able to see the dollars that were going to be dedicated to the recommendations of the Learning Commission outline so that they could track them. As I said, Mr. Speaker, they were disappointed because that didn't happen.

One of the fears, of course, is that somehow or other their expectations are not going to be met. We won't know probably until September whether the money in the budget, given inflation and other factors, will see the restoration of the thousand teachers that were set free last year as a result of the government not funding the arbitrated teachers' settlement. I doubt very much if the money is there to do that and to make any huge inroads with respect to classroom size, particularly at the K to 3 level. [interjection] I hear someone say: well, then it'll be the school boards' fault. That's exactly what I said at the press conference this morning the new

funding formula was going to result in, that the government members would now be saying that it's the school boards' fault. So it doesn't take long, Mr. Speaker.

Parents expected some definition and some dollars attached to it so that they could see the differences in their classrooms. There are a number of trustees resting a little uneasily today, Mr. Speaker, because the expectations are being raised so high that delivering to those expectations in September is going to be very, very difficult if not impossible for many of them. So the Learning part of the budget that addressed the Learning Commission concerns I think is a disappointment.

There are other sections. The health care tax I think has been spoken about enough. It's a tax that remains in place, an unnecessary tax.

There's the Gaming part of the budget. Mr. Speaker, I know that it makes many government members uncomfortable, but the money that's spent on the horse racing industry is up 22 per cent, from \$37 million last year to \$45 million this year. To Albertans it is one thing that the general public has great difficulty with. Here is a government that indicated that they were out of the business of being in business, and they're right back at it, picking winners over losers with respect to industries and business in this province. If you look at it, over the last number of years there's been \$133 million piled into the horse racing business. When you put that number against the failure of the government to increase the very, very meagre allowances for SFI and AISH recipients, there's something wrong with our priorities.

The gambling revenues now, Mr. Speaker, are almost double the royalties of crude oil, synthetic crude, and bitumen and coal combined. There's been a dramatic shift in our province in terms of the attitude toward gambling and our dependence on it, and I don't think it's a move for the better.

The Solicitor General's budget finally, after years and years of pleading, has put some money into the police forces of the province. I think that that's long, long overdue. It's something that the municipalities have been asking for and also for a new funding formula for municipal policing. What the Solicitor General, of course, didn't do was help out Alberta's corrections system. They certainly didn't get much of a raise.

We're still waiting from the Solicitor General for the policing Alberta MLA review, the corrections review, and the victims of crime fund review. We've been waiting some time for these reports, and it's difficult to make some judgments about the budget, Mr. Speaker, without those reports before us so that we can judge how adequate the funding that's being proposed is.

It's interesting, Mr. Speaker, that the standing policy committees got a raise of \$15,000 over last year, and the money going to these committees is now \$627,000. That's a lot of money for those committees, that are government committees, and if you look through the payments to MLAs, one suspects that they're used for reasons other than making public policy.

The Public Affairs Bureau, Mr. Speaker, again, up to \$14.7 million. That's a lot of public relations. That's a raise from \$13.8 million last year.

Ms Haley: Point of order.

The Deputy Speaker: Point of order. Do you have a citation, hon. member?

3:30

**Point of Order
False Allegations**

Ms Haley: Yes. *Beauchesne* 380 under allegations. I want to put

on the record here that there's an allegation being made that these SPCs, the standing policy committees, which are advisory bodies to ministers, are doing something untoward or unprofessional. You know, the reality is that the vast majority of the money that the member is citing is about staff. It's not for anything untoward. These are policy directions for ministers and their portfolios, and each one of these SPCs deals with two or three or four portfolios. So I just think that it's important not to make unfounded allegations in here.

The Deputy Speaker: On the purported point of order, first of all, I need to ask the hon. member for the citation again. I'm sorry; I didn't hear it.

Ms Haley: It was just a handwritten note: allegations under *Beauchesne* 380. But if I'm wrong, I apologize. I'll look for the proper citation. But that's what I'm talking about.

The Deputy Speaker: Okay.

The hon. Member for Edmonton-Centre.

Ms Blakeman: Well, it's not *Beauchesne* 380. I'm not sure what the concern that's being raised here is. Is the concern that we were inaccurate in the amount of money that we've said now goes to the committees? Is there an inaccuracy? I don't think so. It's \$627,000. Those are directly from the budget books. That does represent a \$15,000 increase from those same committees last year. That's not inaccurate.

The Deputy Speaker: I think, hon. member, we're getting into the debate. It would seem to me that, one, the citation isn't found by the chair. It seemed to me that it was a clarification as opposed to a point of order.

Ms Haley: Mr. Speaker, I apologize. Standing Order 23(h), (i), (j) will work good. Twenty-three is a good one; I like 23(h). Okay? Allegations. You know, I just want them to realize that when they say things and they put them on the record, they should be accurate.

Ms Blakeman: Thank you. Well, 23(h) is making "allegations against another member," and she hasn't laid out what she believes the allegations to be or who the member is specifically that this was done to, so there is no point of order here, Mr. Speaker. There's not much I can respond to.

The Deputy Speaker: The chair would agree with the hon. Member for Edmonton-Centre that (h) "makes allegations against another member," where it's clearly identified. But the member, if I heard her correctly, the second time round said (h), (i), and (j), so that's three. The second one is "imputes false or unavowed motives to another member." I take it that she was feeling – this is an interpretation – that there was some allegation there.

Anyway, it would seem to me that it's not a point of order but a point of clarification. So we'd ask the hon. interim leader to continue.

Debate Continued

Dr. Massey: If I've offended the member opposite, I apologize and withdraw the remarks.

I was talking, Mr. Speaker, about the Public Affairs Bureau and how we can possibly be spending \$14.7 million on public affairs programs. That is really, really a lot of taxpayers' dollars, and you have to wonder what kind of value we're getting for it.

A number of other issues, Mr. Speaker, that I think we can talk

about. The Justice budget was a disappointment. The courts in our province still aren't going to get the raise that they definitely and desperately need.

I had one other, but I don't seem to have it on my desk right now, Mr. Speaker. So with those comments I'll conclude.

Thank you very much, Mr. Speaker.

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

Dr. Pannu: Thank you very much, Mr. Speaker. I'm pleased to rise and respond to the budget speech delivered by the Minister of Finance yesterday afternoon. I thank her for her work and for her speech.

Mr. Speaker, in the 15 minutes that are available to me, I'll try to cover some important points. It's difficult, clearly, to be comprehensive in my remarks. That being said, after four years of playing Scrooge, the Tory government is trying to play Santa Claus with the voters as the next provincial election nears.

Budgets are about priorities, and yesterday's budget speaks volumes about the priorities of this government. At the top of this list of priorities is getting re-elected. In other words, this budget is about conserving Conservatives, Mr. Speaker. That is why spending, at least in a few areas, was ramped up as we approach the next election, only to have the taps turned off after the election, as has happened not once but several times over the last 10 to 15 years. Sadly, this election cycle spending is as predictable as leap year. In this province Santa Claus comes down our chimneys only once every four years, but even then he only comes down some of our chimneys. This province is in the enviable position of being able to provide stable, predictable funding to important programs every year and not only in a pre-election year.

As is the case every year, the bottom line in Budget 2004 can't be taken seriously. Every year the Tory government estimates modest surpluses of only a few hundred million dollars in its budget. But, Mr. Speaker, when the actual surplus is reported 15 months later, it ends up being several billion dollars, and that's the case year after year after year for many years now. Budget 2004 is no exception to this well-worn pattern. This year's budget shows a paper surplus of only \$300 million in the fiscal year 2004-2005. Anyone who believes that this will be actual surplus when the books are closed next year must also still believe in the tooth fairy or Santa Claus for that matter.

Total government revenues in the coming year are once again seriously underestimated. There's \$2.3 billion less revenue estimated for next year than forecast revenues for this year. Oil and gas revenues in the next fiscal year are estimated to be \$2.7 billion below what they are forecast to be this fiscal year.

Since under the government's fiscal framework only \$4 billion of oil and gas revenues is transferred to program spending and given that oil and gas revenues this year will be around \$7.5 billion, well, I think it's pretty obvious that the government's game plan is to cynically continue using debt elimination as a means to achieve two political goals, Mr. Speaker: (a) to dampen expectations of Alberta seniors, middle-class families, and postsecondary students and (b) to use this as good news of a debt-free Alberta a few months or weeks before going into the next election. It just occurs to me that there's a third objective here; that is, to paint this as some sort of legacy for the Premier as he prepares to leave office. Now, I guess it wouldn't be so bad for the Premier to have a legacy except that the question has to be asked: at whose expense?

While there are a few good things in this budget, on the whole it's a huge disappointment. Working Albertans and middle-class families deserve a better deal than they are getting in this budget, Mr.

Speaker. Just look at how one sided the revenue and taxation measures contained in this budget are.

The government will keep lightening the pocketbooks of typical Alberta families by \$1,056 per year in the form of health care premium taxes. It doesn't matter whether you make \$35,000 a year or \$350,000 a year; you pay the same \$1,056. This is a real flat tax, Mr. Speaker, if one wants to understand what a flat tax is. This is a most regressive and unfair tax imposed on hard-working and middle-class Alberta families and Albertans. It's a bad tax. Even the Alberta Taxpayers Federation is urging that this regressive, unfair, lump-sum health care premium tax be scrapped. However, it wasn't. Whether you are a senior on a fixed income or an average working family trying to make ends meet, you just have to keep on paying.

3:40

Meanwhile corporate taxes continue to be cut. On April 1 this year the general corporate tax rate is being reduced from 12.5 per cent to 11.5 per cent, permanently reducing government revenues by \$142 million over the period of the next 12 months. Alberta already had the lowest corporate taxes of any province. This is an unnecessary giveaway, pure and simple. It's shameful that this government keeps taxing seniors for health care premiums so that it can pay for another tax cut to corporations.

Despite very misleading government spin to the contrary, in reality provincial revenues from school property taxes will go up 5.7 per cent in year 2004-2005. Homeowners and businesses will be paying \$77 million more, not less, in school property taxes starting this spring. Mr. Speaker, this is the third straight year that the Finance minister and this government have broken their 2001 promise to freeze total revenues from property taxes at the \$1.2 billion level. The continuing rise in education taxes also stands in contradiction to the motion sponsored by the Member for Wainwright which just passed in this Assembly two weeks ago. Albertans, especially seniors on fixed incomes who still live in their own homes, will be outraged by the government's duplicity on the matter of school property taxes.

Surprisingly for a pre-election budget, 25 new user fees for such things as outdoor recreation, parks programs, and the maintenance enforcement program are also a feature of this year's budget. Eleven other fees for parks activities and insurance services are being significantly increased, while the new fees and fee hikes for things like cross-country skiing in Kananaskis Country and provincial park programs mostly hit average Albertans.

The insurance levies are puzzling given this government's own concern about the affordability of coverage. These new levies threaten to make insurance even less affordable for drivers, homeowners, and small businesses. Talk about shooting yourself in the foot, Mr. Speaker.

While there is mention made that some royalty giveaway programs may be reviewed, there are no specific changes announced in this budget. For years, Mr. Speaker, our Auditor General has raised the alarm about the fact that many of the government's royalty giveaway programs, including the Alberta royalty tax credit, do not have objectives that allow Albertans to assess whether they represent value for money. So instead of action to address these failings, we simply get more delays in addressing the \$400 million-plus in royalty giveaways. This is a huge amount of money that could be freed up to freeze and reduce tuition fees or eliminate health care premiums.

Moving to the spending side of Budget 2004, I'll begin by acknowledging a few positives. Certainly, one of those is the restoration of municipal policing grants for large centres and the commitment to pick up all of the policing costs for municipalities

with populations below 5,000 people. Mr. Speaker, \$58 million is being added in total for provincial policing support, and this is badly needed. Yet, at the same time, the government is taking back much of the increase in policing grants by reducing unconditional municipal grants. The city of Edmonton, as an example, estimates that over one-half of the increase in policing grants is being offset by reductions in municipal unconditional grants. Thirteen million dollars has been set aside for transferring governance and funding for ambulance services in 2004-2005, increasing to \$55 million in the next year. While there is some concern about the governance changes for ambulance services, especially its impact on those municipalities with integrated emergency services including fire, paramedics, and ambulance services, certainly everyone welcomes the increased funding support in this area.

Budget 2004 is giving Albertans a first glimpse at the huge cost of the so-called public/private partnerships, or P3 projects. The total cost, the full cost, of the Calgary courthouse and Edmonton south-east ring road projects is \$703 million, a huge sum of money, Mr. Speaker. However, there is no evidence whatsoever that P3s can be built for less money. All of the available evidence suggests that they will cost more.

The government P3 strategy is completely lacking in transparency. The government has hand-picked a P3 review committee dominated by developers, real estate lawyers, and a few other Tory-friendly folks. Mr. Speaker, here we are on the verge of signing an agreement with a P3 developer for a new Calgary courthouse, and Albertans are left completely in the dark as to whether it would have been less costly to have built the same project using conventional public financing.

This lack of transparency is simply unacceptable, Mr. Speaker. The whole P3 exercise threatens to become to the Klein government what NovAtel and MagCan were for the previous Getty government.

Moving to education, Mr. Speaker, support for K to 12 will go up 5.8 per cent, including implementation of a new funding framework, which is long overdue. While the Learning minister talks a good game about being committed to implementing these recommendations, quite frankly there's not enough detail provided to determine whether these increases will be sufficient to implement the class size recommendation of the Learning Commission.

A lot of groups representing parents with children in schools think that the funding falls short. I will certainly be returning to this when we deal with the Learning estimates in the Committee of Supply.

In the postsecondary area operating grants for postsecondary institutions go up 4 per cent next year. At first blush this doesn't look bad, but when you really break down the numbers, this won't even be enough to cover enrolment increases and inflation, so as a consequence tuitions will continue their inexorable rise by going up yet another 6 to 10 per cent next year and beyond.

Moving to health spending, yesterday the Finance minister made much of the fact that the planned 8 per cent increase isn't sustainable and that increases will have to be much smaller in future years. It seems to me, Mr. Speaker, that when it comes to health care, Albertans are being set up. There will be increases in health care spending before the election only to bring the hammer down in the form of user fees and delisting after the election.

With all of the disadvantages of loss of income that come along with illness, the last thing these Albertans need is more out-of-pocket charges, but unfortunately that's exactly what sick, injured, and elderly Albertans will get if this government gets its way on its so-called health care reform. User fees, delisting, and two-tier health care will be brought in for ideological reasons, Mr. Speaker, and without one iota of evidence that they will do anything to make the health care system more sustainable. In fact, if you look south of the

border, while the government's share of the health care dollar may go down, total health spending will escalate as never before.

Now, I want to move to those Albertans who got lumps of coal instead of gifts from the Santa Claus in the Tory government budget. There are lumps of coal in this year's budget for Alberta's senior citizens. In the past decade according to figures from the Alberta Council on Aging Alberta seniors have on a net basis lost some \$650 million in government benefits. In recent years they have lost universal eye and dental benefits, have seen the copayments on their drug coverage go up, got hammered with 50 per cent increases in long-term care fees, and, finally, like everyone else, got smacked with a 30 per cent hike in health care premiums.

Seniors who were hoping for a tiny bit of good news in this pre-election budget went away empty-handed, Mr. Speaker. Not enough on health care premiums when scrapping them for seniors would only cost \$90 million. Obviously, not a high enough priority when there are corporations to feed with \$102 million in corporate tax cuts.

3:50

The news in this budget is even worse for the disabled and those on welfare. Once again, there are no increases in monthly benefit levels for those on AISH or social assistance. With only one small increase since rates were cut in 1993, this budget means that these low-income Albertans and their children will keep falling ever deeper into poverty.

Meanwhile, while there is nothing for poor and disabled Albertans, the annual subsidy to the horse racing industry is going up 22 per cent, from \$37 million to \$45 million per year. Keeping race horses well fed is obviously a higher priority for this government than keeping children well fed. I wish this government would put people before ponies, but it's not to be.

Thank you, Mr. Speaker.

The Deputy Speaker: Comments? Questions?

There being no further speakers, the hon. Minister of Government Services.

Mr. Coutts: Thank you very much, Mr. Speaker. I wonder if we might now just adjourn debate on this particular item this afternoon.

[Motion to adjourn debate carried]

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

Mr. Stevens: Thanks, Mr. Speaker. I move that we call it 5:30 and adjourn until next Monday, March 29, at 1:30 in the afternoon.

[Motion carried; at 3:52 p.m. the Assembly adjourned to Monday at 1:30 p.m.]

