

Legislative Assembly of Alberta

Title: **Tuesday, April 20, 2004**

8:00 p.m.

Date: 04/04/20

head: **Committee of Supply**

[Mr. Tannas in the chair]

The Chair: I'd like to call the Committee of Supply to order. Before we commence our deliberations on the Department of Transportation, I wonder if we might have unanimous consent to briefly revert to Introduction of Guests?

[Unanimous consent granted]

head: **Introduction of Guests**

The Chair: The hon. Minister of Community Development.

Mr. Zwozdesky: Thank you very much, Mr. Chairman, and thank you, all members, for allowing me to make a brief introduction. I'm very privileged tonight to introduce to you and through you some very special constituents of mine. They are known as the Burnewood 207 Beavers, and they are accompanied tonight by their Beaver leader Mike Utley and some parents and helpers: Ken Bowridge, Wayne Kendall, Tracy Bunda, Gerald Bara, Rhys Davies, Randy Resler, Chris Spracklin, Tim Janewski, Catharine Schoendorfer, and I think Walter Breedevelt is here as well. I hope I've got all the names.

Mr. Chairman, many of us in this Assembly have come up through the Beavers or the Cub Scouts or the Girl Guides or the Brownies, and I am one of those. I'm very proud any time I have a chance to meet . . . Well, in actual fact I belonged to the Cubs and the Boy Scouts, but I think you all know what I mean. If I could ask these special Beavers and all of their helpers to please rise and receive the very warm welcome of all members here.

Thank you very much for coming. As soon as you're ready, I'll join you for a photo down on level 2.

Thank you.

The Chair: Any further introductions?

We'll begin this evening by giving a little bit of information to the people who are in the galleries and a reminder to all hon. members. This is the informal part of the legislative session. People are allowed to move around quietly. We still adhere to only one person standing and talking at a time, but it allows for, in this case, members to ask questions to the minister, the minister to give the reply, and to go back and forth rather quickly in that way. The first hour is the minister and the opposition members who go into response. After that it's anyone in the Chamber.

So we'll call on the Minister of Transportation to begin the 2004-2005 estimates on your department.

head: **Main Estimates 2004-05**

Transportation

Mr. Stelmach: Well, thank you, Mr. Chairman. It's a real honour to serve as Transportation minister in the province of Alberta and, of course, present the ministry's estimates for 2004-2005 and also provide a few details about some of the ministry's programs and activities.

Before I do that, I'd like to introduce to you and through you to the colleagues in the Assembly tonight our ministry's senior staff,

seated in the members' gallery: my executive assistant, Ron Glen; Jay Ramotar, the deputy minister; Rob Penny, assistant deputy minister of transportation and civil engineering, and have a good look at him because he's going to be changing here in the next couple of days; Brian Marcotte, assistant deputy minister of transportation policy and planning; Gregg Hook, assistant deputy minister of transportation safety services; Gary Boddez, who is also the chair of the Alberta Transportation Safety Board and who will also be having a bit of a metamorphosis here soon; Winnie Yiu-Yeung, executive director of the finance and business management branch; and Leanne Stangeland, director of communications.

The Chair: Thank you, hon. minister. May we again have permission to briefly revert to Introduction of Guests.

[Unanimous consent granted]

head: **Introduction of Guests**

(reversion)

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

Mr. Mason: Thank you very much, Mr. Chairman. On behalf of my colleague the MLA for Edmonton-Strathcona it's my pleasure to introduce to you and through you to other members of the Assembly 24 guests. These guests are members of the 66 Girl Guides in Edmonton-Strathcona and are here this evening to observe the proceedings of the Assembly. They are accompanied by Mrs. Donna Wilkie. Unlike the hon. minister I was never a Guide or a Brownie, but I was a Cub. I would ask them all to rise and receive the warm welcome of the Assembly.

head: **Main Estimates 2004-05**

Transportation *(continued)*

The Chair: Thank you, hon. minister.

Mr. Stelmach: Thank you, Mr. Chairman. When I said that both Rob and Gary will be changing, they're going to be going bald for cancer. They will be having their heads shaved this week, so anybody here that wants to donate towards a very worthwhile charity, now is the time to do it.

I wish to publicly thank all my senior officials and of course all of the ministry staff for their outstanding work. As minister I get a number of kudos, praises from the colleagues and all Albertans, about the quality for our department staff, and I'm really proud to have such a great group of hard-working people in Transportation.

This upcoming year marks the second year the department's estimates have been done using the new fiscal framework. That means that the committee this evening will have two votes: one for the operating expenses and equipment and inventory purchases and one for capital investment. The new framework has worked well for Alberta Transportation. The ministry budget is more stable and predictable, and we've thankfully seen an end to significant mid-year spending adjustments. This stability is also beneficial for our municipal construction, design, and maintenance partners. They're better able to plan their operations because they can base their activities on solid assumptions.

The department's estimates include approximately \$1.1 billion for operating expenses, equipment, and inventory purchases – that's really the preservation, municipal grants, and rehab component – and \$442 million for capital investment. That's an overall budget of approximately \$1.5 billion. Now, of that \$1.5 billion, \$257 million

is for noncash items such as amortization and consumption of inventories. Consumption of inventories would be like sand, gravel, et cetera. This translates into an actual spending target of approximately \$1.25 billion.

8:10

Safety is the ministry's number one priority and the prime motive for ministry activities and programs. The ministry will spend approximately \$29 million directly on transportation safety programs and activities of the Alberta Transportation Safety Board. It's the entire traffic safety budget. This includes all of the inspection services of commercial vehicles as well.

I believe our current programs and services contribute to better safety on Alberta roadways, but it's important to keep looking for improvements. That's why I recently appointed one former RCMP assistant commissioner Don McDermid to review all of our traffic safety programs. Mr. McDermid will report back to me in May, and I'm looking forward to seeing what ideas and recommendations come from his review. There is no doubt that we need to reduce the number of collisions on our roads, and we all can do a lot to improve driver behaviour.

Another way to of course reduce collisions is to continue improving and expanding Alberta's highway infrastructure. There's a direct correlation between infrastructure improvements and improved collision rates. For instance, adding an interchange reduces collisions at that intersection by approximately 45 per cent on average. Twinning a highway when the traffic warrants are there reduces collisions by approximately 47 per cent.

So during 2004-05 Alberta Transportation capital investments in the province's highway network will be \$411 million. Now, of that \$411 million, \$266 million will be invested in what is called the strategic economic highway corridors, such as the north/south trade corridor and ring roads in Edmonton and Calgary. Economic corridor development is a ministry priority. The remaining \$145 million will be invested in other points of Alberta's highway system. Now, this does include \$4.5 million for the new tourism highway signage initiative. This is a cross-government initiative, and it will convert existing tourism signage to new standards that are consistent with other North American jurisdictions.

On a final note regarding highway construction Alberta Transportation plans to begin building the southeast leg of Edmonton's ring road using our new made-in-Alberta public/private process. As you'll note in the estimates, the capital investment vote for 2004-05 does not include funding for this potential P3 project. The \$24 million shown for this project on the statutory program page represents the projected first-year funding requirement if traditional delivery methods were used. Though we are partway through the process, the final decision to proceed has not been made yet, and we won't be able to make that until later this year. This is subject to the selection of the potential contractor and potential final contract negotiations.

The ministry will continue to support municipal transportation, waterways, water infrastructure through a number of grant programs. Overall the ministry will invest \$355 million through its own municipal programs and a further \$27 million through the infrastructure Canada/Alberta partnership program with the federal government. Edmonton and Calgary will continue to receive funding based on 5 cents per litre of road fuel sold within city limits. Other cities, towns, villages, and eligible municipalities will receive funding based on \$60 per capita. Rural municipalities will continue to receive formula-based grants. They are also going to continue to be eligible for the resource road program. This program provides funding assistance to address increased industrial resource-based or

heavy truck traffic on local roads. It was a real success in its first year, and in many cases the private sector contributed funding along with the provincial and municipal governments.

Now, cities other than Edmonton and Calgary can also apply for funds under the cities special transportation grant. The program, which assists these cities in addressing transportation infrastructure affected by rapid growth, will provide approximately \$32 million through the Alberta municipal water/waste-water partnership. This partnership provides funding assistance to municipalities to address water/waste-water infrastructure issues. This amount is higher than last year due to almost \$7 million provided through the water for life strategy for regional water systems. The program formula is enhanced by 10 per cent.

I did mention the infrastructure Canada/Alberta program, or ICAP. It's entering its fourth year and is winding down. Ministry officials are in negotiations with the federal government for the new municipal rural infrastructure fund, which will be similar to ICAP. There likely won't be any projects approved this year under this program, but we are continuing to negotiate the program with the federal government, so that's why there's no mention of it in the estimates this year.

Finally, we will invest \$30 million in the construction and rehab of the province's water management infrastructure. This includes such components as dams, reservoirs, and spillways. Of course, the major project is rehabilitating the Carseland/Bow River headworks system in southern Alberta.

So, Mr. Chairman, it's been a real pleasure to present the estimates for 2004-05. I'd be pleased to answer any questions the hon. members may have, and certainly if they're technical in nature, if I can't get the answer today, then I will certainly get those answers as quickly as possible.

Thank you.

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

Mr. Bonner: Thank you very much, Mr. Chairman. It is a pleasure to rise this evening and speak to estimates and to thank the minister for his opening comments and also his staff who are present here with us this evening to certainly facilitate a very open and frank discussion about the Department of Transportation.

My questions this evening, Mr. Chairman, are going to centre around the overview of the ministry and certainly regarding the improvement of road, driver, and vehicle safety; the improvements of provincial highway infrastructure; the support of municipalities in the provision of their transportation and water/waste-water needs; and certainly talk about Alberta's interest in provincial, national, and international policy, which impacts transportation here in the province.

I was quite happy to see that in the estimates the ministry expense for 2004-2005 is going to be over a billion dollars, which is an increase of \$166 million, or 19 per cent, from 2003-2004; that the ministry's capital investment will be \$501 million in 2004-2005, another increase of \$94 million, or 23 per cent, from the 2003-2004 budget; and to make note of the fact that the capital investment includes internal statutory funding of \$24 million for the potential public/private partnership to build the southeast portion of the Edmonton ring road.

Certainly, as the minister indicated in his opening comments, we have many areas of growth here in the province. The cities of Edmonton and Calgary have experienced incredible growth over the last few years. I think that long-term plans that were made for the systems inside these cities to move traffic were based on projections that in no way could forecast the rapid growth that we've had, and

it certainly placed a great deal of stress on our transportation systems within these cities. It is an enormous job to play catch-up and to try to provide these facilities for the drivers in these two cities. I think, certainly, that any of the people that have to drive in these cities, particularly during rush hour, would agree that there is much work to be done in order to facilitate the smooth, safe flow of traffic.

Looking over the operating expenses – and I'm referring to page 360 of the budget – transportation infrastructure and safety expenses have risen by almost \$150 million since 2003-2004. Could the minister please give us a breakdown of these expenses?

8:20

As well, on page 360 under Capital Investment the capital investment in transportation infrastructure and safety has increased by almost \$70 million. What will this money be going for?

When we flip over to page 361, ministry support services, the budget for the minister's office is increasing by \$10,000 while the budget for the deputy minister's office is increasing by \$14,000. If the minister could give us some explanation for the increase in costs in these areas. As well, if the minister could indicate the average salary of the employees in the ministry as well as the highest and lowest salaries. As well, if the minister could indicate how much was spent on bonuses last year and what is anticipated to be spent on bonuses this year. If he could also indicate what was the largest bonus that was given out.

Switching to program 2, transportation infrastructure and safety, on page 362. Highway systems expenses have increased by almost \$36.5 million. If the minister could please give us some indication of why and where the \$36.5 million in increases would go. Also, if the minister could indicate to us why the operating expenses funded by lotteries for road transportation partners decreased by \$5 million. What services will be lost? As well, will the minister provide a breakdown of the operating expenses for the streets improvement program? Also, why has the operating expenses funded by lotteries for the streets improvement program decreased by \$5 million?

Again, Mr. Chairman, when we look at the overall business plan for the province and for Transportation, we did ask questions earlier in the session as to why the business plan provides that they're allowing a decline in the quality of highways in Alberta. Is part of the reason that there is \$5 million less here attributed to the decline in the quality of our highways here in Alberta? If the minister could please indicate, as well, why the operating expenses for municipal water and waste-water grants increased by more than twice the amount this particular year.

As well, continuing with program 2, the capital investment in provincial highway systems has increased by \$8 million. Other road infrastructure has increased by \$4.5 million. The strategic economic corridor investment initiative has also increased by over \$61 million. Will the minister detail these increases and what Albertans can expect to see as a result of these increases?

The capital investment in water management infrastructure has increased by \$1 million while the capital investment funded by lotteries has decreased by \$5 million, which would indicate an overall decrease of \$4 million. If he could please indicate why we have this decrease of \$4 million.

I'd also like to make some comments on the southeast extension of Anthony Henday Drive, particularly in light of the announcement today. I have not confirmed this yet, but it was indicated that the cost of the Calgary courthouse, which is going to be built under a P3 model, has soared immensely. What protection do taxpayers in this province have in regard to the cost of the southeast extension of Anthony Henday Drive so that they will not be faced with these enormous increases in the cost of construction at this particular time?

Estimates say that for 2004-2005 \$23,900,000 will be invested in the Edmonton southeast ring road. The minister had gone on to say that this would be the first-year funding requirements if we'd use the traditional methods for road construction and freeway extension along these ways.

In March of 2004 in the inventory of major Alberta projects Alberta economic development outlined that the southeast extension of the Anthony Henday ring road would cost \$270 million over three years. How much can taxpayers expect this project to cost per year? Again, does the \$270 million include the annual lease payments and the principal and interest costs for the project?

On the government of Alberta web site under Transportation a release on the southeast leg of the Edmonton ring road says that the federal government will be contributing \$75 million to this particular project. Now, in question period the minister indicated that he had not yet seen the \$75 million. Will this amount be deducted from the \$270 million that it has already been indicated the project will cost, or does the \$270 million that is forecast at this particular point not include the \$75 million which we expect to get from the federal government? As well, does the minister have any indication from the federal government when we could expect to see this \$75 million?

As well, yesterday in question period the minister suggested that because of the rising cost of steel, 15 to 30 per cent, taxpayers can expect to pay more for projects such as the southeast leg of the Anthony Henday ring road. Has this been included in the \$270 million? As well, what percentage of the entire cost of the project does steel account for, and is there any way we can get a ballpark idea of just exactly what we are looking at in regard to an increase in the amount of costs for steel?

At one time we had asked about the cost of the southeast leg of Anthony Henday Drive, and it was indicated that this cost would be in the neighbourhood of \$300 million. Since that time we've seen pressures, mostly on bridge structures, and that's related to a fast rising increase in the cost of steel. The minister goes on to say, "I believe it's gone up anywhere from 15 to 30 per cent, and in fact there are some that are only getting a seven-day commitment on the price of steel today."

In fact, the government's web site said that this particular project would cost \$300 million minus the \$75 million from the feds as a public project. So theoretically the project should cost less as a P3, accounting for any increase in building materials. As yet we still have many relevant and basic questions that have been asked on this issue, and we still are awaiting clarification on those questions.

Certainly, when we are looking at \$300 million of taxpayer money, we should know where that money is going and how it's going to be spent before we make the commitment.

8:30

Albertans are wanting to know these particular costs in light of the fact that the whole idea of P3s has been a very controversial subject, and in many areas where they have been used, whether it be for the construction of schools, for the hospital programs, they have certainly not proven to be more cost-effective; they have not proven to be more efficient. As well, the ongoing costs to taxpayers down the road have also been immense. In the case of hospitals we certainly have not seen the level of service being provided to the claimants. It is a brand new area, and it's one where Albertans have to be protected not only from the cost of these but the services that they are to provide down the road.

That has covered my questions on Anthony Henday.

Now, then, as well, as I indicated earlier, I do have some questions that constituents have asked. One certainly refers to the funding for

accessible specialized transportation in Alberta. It's one of these topics that crosses ministries, and it seems that at this particular time nobody's taking responsibility for it. It's one of those areas where those vulnerable Albertans that require transportation are losing out.

I heard a story today of a family who had to transport their mother to the hospital at 7 in the morning so that she could undergo dialysis. She underwent dialysis and then had to sit in the waiting room until 5 o'clock that evening before they could come and retrieve her. That was because they could not afford alternative transportation for her.

This is a huge issue, particularly in rural areas and particularly in light of the fact that I don't think there's been a full survey since 1994 with the Alberta Transportation study of seniors and disability transportation in Alberta. Certainly, nine years later one of the conclusions is still very relevant: given the current economic situation and the inclusion of the PTOAG money in the unconditional municipal grant program, it will be important that organizations co-ordinate services and pool their resources; failing this, many service providers might be forced to cease operation. That statement has certainly proven to be true.

What these providers require is certainly some clear comment and commitment on funding for this type of transportation. There are issues here when it comes to transporting people that require transportation but not ambulances because of medical needs.

Another situation that was brought to my attention was where a particular patient in Strathmore when they were not part of the Calgary health authority received funding and transportation to go to Calgary to receive their dialysis, and the trip home was covered as well. Since Strathmore has been absorbed into the Calgary health authority, this person is now bound by the policies of the Calgary health authority. This puts quite a strain on that family in that where once there was transportation for this type of disability, there isn't any more.

As well, when we look at Innisfail, it is my understanding that their bus was taken off the road because it failed inspection. So what's happened in Innisfail is that they haven't had any provider that's been able to come in and replace that bus, so the residents there that require accessible transportation don't have it any more. Particularly for those who require accessible specialized transportation, these are quality of life issues. Certainly, people are wanting to know who is going to take the bull by the horns and settle this issue, and it becomes a huge issue for those people in rural Alberta. The impact on families of not having accessible transportation is also huge.

I'll continue later. Thank you, Mr. Chairman.

Mr. Stelmach: I'll certainly start answering some of your questions, but do you want to finish?

Mr. Bonner: Go ahead.

Mr. Stelmach: Okay.

Well, we'll start right from page 360. I do agree with the hon. member that both Edmonton and Calgary have seen phenomenal growth and put a lot of pressure on their transportation system and their roads, but equally as important is of course the situation we face in rural Alberta, where we may not have the traffic volumes but certainly heavier traffic on country roads in terms of the oil and gas industry and more in manufacturing. They see the large cities benefiting with the growth here, of course, and they certainly sympathize with the pressures, but they also would like to see some balance in kind of the infrastructure dollars that are spent across the province. So definitely growth is happening across the province, and it does raise a number of safety issues for us.

First and foremost, in terms of the budget increases for the minister's office and then the ministry operations, those reflect the 3 and a half per cent increase from the AUPE contract negotiations, and part of the ministry operations increased as a result of that. Now, we applied the same percentage to our staff in the minister's office, which is the people that are determined to be excluded from the agreement.

On page 360 there have definitely been increases in '04-05. This is now comparing to '03-04. Now, it's due primarily to a number of areas. One, \$134 million, or 50 per cent, of the increase in 2004-05 was provided via the 2003-2006 budget cycle. There was an increase of \$78 million for municipal transportation grants, \$38 million for the strategic economic corridor investment, and also increased amortization expense because we took over all of the secondary highways, and we had to write those down in terms of the amortization.

[Mr. Klapstein in the chair]

The \$19.6 million approved for 2004-05 during the '04-07 cycle does include \$46 million for the construction and rehab of the provincial highway network system. Part of the additional \$98 million was allocated to the ministry for '04-07. The balance, \$52 million, is allocated to '05-06.

Now, \$6.8 million is for the water for life strategy. It's part of the additional \$16.1 million that was added to the ministry's '04-07. The balance, at \$9.3 million, is going to be allocated in '05-06 at a rate of \$7.2 million and '06-07 at a rate of \$2.1 million for that year. It does include the four and a half million dollars for tourism highway signage and \$2 million, of course, for the salary increases.

8:40

There will be, of course, \$500,000. It's a recovery from the federal government for the Dead Man's Flats crossing. That's for wildlife, and that's to be built on the trans-Canada. It's part of a federal-funded project.

The increase of \$165.7 million for '04-05. It's \$78 million for municipal transportation grants, \$13 million for increased amortization. The '04-05 estimate compared to the '02-03 actual shows a \$366 million increase. Now, it's primarily due to the \$220 million restoration to municipal transportation grants, \$63 million for provincial highway systems, \$20 million for the infrastructure Canada/Alberta program, and again the \$6.8 million for water for life, \$2 million for manpower, and \$1.2 million related to transportation safety services.

With respect to page 362, transportation safety services, they did see an increase of 4 per cent. It's \$1.058 million. Salary increases are \$0.7 million, and \$0.3 million is for the traffic-related electronic data strategy. It's called TREDS, and it's a credit-recovery program with the government of Canada. That's why you'll see on the revenue side that we're expecting about \$800,000 from the federal government in a recovery, about \$500,000 for the National Safety Code – and it's partial costs from the government of Canada to the provincial government to assist in achieving consistent implementation of the National Safety Code – and \$0.3 million for the traffic-related electronic data strategy; that's TREDS.

Now, traffic safety services. They're responsible for quite a list: vehicle driver safety programs, their driver licensing standards, licence monitoring and enforcement, impaired driver remedial programs, dangerous goods control, monitoring the motor carrier industry and provincial railways, and also the traffic safety initiative, which is a collection of safety measures and initiatives developed and delivered with stakeholders. This could be snowmobile clubs,

the AMA, checkstop, safety education built into, actually, the Alberta Learning curriculum, and it's a very important program.

Now, with respect to the traffic safety board, it had a 2 per cent increase, \$19,000, related to salary increases. This is a board that came into effect following the May 20, 2003, proclamation of the Traffic Safety Act. It replaces the previous Driver Control Board and Motor Transport Board. It functions as the appeal body for decisions to the registrar relating to driver training schools, driver instructors, examiners, vehicle inspection stations, vehicle inspection technicians, safety fitness certificates, carrier safety ratings, and administrative penalties assessed. It is responsible for appeals surrounding decisions and actions taken under the Railway (Alberta) Act, administers the ignition interlock program for impaired drivers. It does hear appeals under the Alberta administrative licence suspension program. That's where licences are suspended for either refusing to blow or blowing over .08. We do administer the vehicles seizure program, aimed at reducing the number of drivers who drive their vehicles while under licence suspension.

With respect to municipal grants there was one on street improvement. There are a number of municipal grant formulas. One of them is street improvement. Now, these are grants that go to cities, towns, villages, et cetera, that are smaller, of course, than Edmonton and Calgary. Edmonton and Calgary get the 5 cents a litre, and the rest are based on \$60 per capita. The street improvement program provides \$60 per capita, like I said before, and they're cost-based grants at 75 per cent government, 25 per cent municipality. It's really capital for street improvements. The eligible projects include grading, gravelling, chip seal paving, signal upgrades, just anything tied to the improvement of the infrastructure in those communities.

We did add water and waterline replacements in conjunction with roadworks. Sometimes the community would get the \$60 to repair the street, but they didn't have enough money to repair the water infrastructure under it, so we made it part of the program if they were repairing the street. It's worked well in the past, and the program helps municipalities across the province immensely.

There was a question with respect to water. There is an increase of \$6.8 million. Over the three years there will be \$16.1 million into the program, and it's really cost-shared grants to eligible municipalities, those with populations less than 45,000. It's also to assist in the construction of very high-priority municipal water supply and water treatment and disposal works. Now, it does not pay for the distribution. It pays for the main line to the community, and of course it does ensure that all Albertans have equitable access to safe water supplies and environmentally acceptable waste-water treatment.

The next question was with respect to the southeast Anthony Henday extension. There have been a number of figures that have been thrown about in terms of: what is the anticipated cost of this particular road construction? When we made the announcement a few months ago, we estimated the cost at about \$300 million, and since then there have been a number of figures that have been used, one that came off our web site and then the other, quoted by the hon. member, of \$270 million. Of course, it raised a lot of curiosity because they couldn't figure it out. If we said \$300 million, how did the price always seem to be decreasing over the last few months?

So we did a little bit of research, and with respect to today's question in the House that was asked by the Member for Edmonton-Glengarry, it was an amount that was given by the Alberta Economic Development Authority where on a monthly basis they list construction projects and attach value to them. Our information is that there might have been a little overzealous individual in terms of reporting the cost. Where we said that it will be \$300 million, the media asked: what do you think the savings might be? I said: "Well, it could be 10 per cent. Who knows?" Apparently they subtracted the

10 per cent from the estimated value, and they put it on their web site as \$270 million when it should have been the \$300 million. So that's the difference in the price.

The question raised earlier by the same member in terms of an amount shown on the web site really piqued my interest because I wasn't aware of that. We did a little bit of checking and found out that the information that was put on the web site for the southwest corridor – unfortunately, a staff member used that very same information and attached it to the southeast leg. That's why those two amounts were the same. Since then, we've made the adjustments appropriately.

8:50

The federal government has indicated that they will contribute \$75 million towards the Edmonton ring road and Calgary. We are including them in the estimates on the revenue side. We did put them into the revenue from the federal government. We anticipate that we will be receiving the \$150 million over the next three years as the road is being completed. It will be deducted from the total cost of the road, that was estimated to be \$300 million. I don't know how much the inflationary pressures will increase the cost or if they will. There are 22 structures on this particular stretch of road. Maybe it will cause some innovation in the industry to look at other ways of constructing those structures, and they might look to some other method, maybe a combination of steel and concrete other than just steel. But there is definitely a potential for some of the prices to increase as a result of the huge and inflationary pressure on steel.

Now, are Albertans going to get value for their dollar? We're doing two things, Mr. Chairman. One is a public-sector comparison. What would that road cost if we were to build it ourselves? Secondly, we're going to follow that with what's called a dummy bid. We'll have someone bid on the project, just as if they were a regular construction company, and give us and all Albertans an idea of some of the costs – you know, where would the costs come in? – and use that as a cost comparative in terms of the public/private partnership.

The value, I believe, in the public/private partnership is in innovation. When a company will be responsible or has to share the risk of maintaining that infrastructure for the next 30 years, they would have to look to first of all innovation to build a product, a material that would last a lot longer and require less maintenance because they're going to be stuck with that maintenance by agreement.

Secondly, they can then manage the construction of that total road – bridge, grading, asphalt, all the interchange construction, the railway exchanges or the overpasses – bring people in as they're required and the equipment as they require and not mobilize and demobilize as dollars become available in a budget and build a long stretch of road in a multiple of years, generally through the traditional method.

We're looking forward to the RFP coming forward. As I said, we'll use those measurements, and we'll determine if we're getting value for the dollar.

With respect to special transportation, definitely mobility is a predeterminer of health, and we are hearing from some communities, especially small communities that are requiring some special modes of transportation, especially for seniors. Many communities have taken it on themselves in partnership with some of our lottery programs to buy vans and involve volunteers. There are a number of different strategies employed by municipalities, but between the Minister of Municipal Affairs and the Department of Transportation we'll be looking at that over the next year and seeing what adjustments we can make.

I believe that could be the end. Maybe I've missed some, but we'll follow it in *Hansard*, Mr. Chairman.

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

Mr. Bonner: Thank you very much, Mr. Chairman, and thank you, Minister, for those responses.

When we look at the Transportation business plan, the business plan refers to the changing demographic of our population on page 409. Again, when we were talking here, we were talking about specialized transportation services, and certainly the industry has felt pressures as well.

Quite interestingly, when I was talking with them, they've certainly seen some increases in their insurance, but what they find is that their fuel costs are the thing that's affecting them as well. At one time it was so much more advantageous to use propane in the buses that a lot of them converted their buses to propane. That certainly isn't the advantage today that it was at that time. So what we do have is a fleet of buses out there that is aging. Some of them are starting to have issues as far as safety goes, and the decision has to be made whether it is more beneficial to repair the bus or put it out of service.

One of the suggestions from the industry was that we certainly have seen an increase over time with the tax on aviation fuel. For those people that are providing specialized transportation, one of their questions was that if they are providing this specialized transportation and certainly to a very small percentage of our population, they would like to know if there's any possibility that there could be some adjustment in the cost of taxes they pay on their fuel bills in order to be able to continue serving this particular group.

As well, another group that is having a great deal of difficulty when it comes to the quality-of-life issue of transportation is our seniors. With our aging population and certainly more and more people getting to the point where they no longer wish to drive or they physically can't drive or their families don't want them to drive, then we have to provide some type of transportation. So that is certainly one of the areas where I think we have to start putting plans in place whereby we can have transportation for this particular segment of our society.

When we look at the performance measures on page 413 under the heading Performance Measures, why is the mechanical safety of commercial vehicles, both the percentage of inspected vehicles requiring on-site adjustments and the percentage of inspected vehicles requiring attention of a mechanic, targeted to decline as of 2005? It doesn't seem to me that if we are decreasing the percentage of inspected vehicles, if we're decreasing that number, we can improve road, driver, and vehicle safety. There just doesn't seem to be a situation here where we can decrease the inspections yet increase the amount of safety. So what has the ministry done in order to counteract the safety risk? Why are the percentages so low?

9:00

As well, one of the questions that I would like to ask the minister is: when will the actual and targets for involvement of commercial vehicles in casualty collisions be determined? Why is the percentage of drinking drivers in injury collisions in Alberta targeted to increase in 2004-2005?

In the business plan it was indicated that we were going to allow the physical condition and usability of our highways to deteriorate. This, to me, would seem to be a situation that if we were going to allow the decrease in the physical condition and usability of our highways at times when we are increasing traffic on these highways, then certainly as we've discussed in the past, the rate of deterioration

and the cost of maintenance and repair is not a linear function but an exponential function. Does the minister have any indicator as to when we can allow highways to deteriorate and at what point those costs are going to escalate greatly because of the poor conditions of those roads?

If the minister does have some type of plan which indicates that we can have roads in a deteriorated state from what Albertans have been used to, if he could share with us that research that indicates that in the long run this will be a benefit or a cost savings.

[Mr. Tannas in the chair]

Again, why are provincial highways in good condition targeted to decline through to 2007 and those in poor condition targeted to increase through to 2007? Once again, why is the percentage of those in good condition so low? Why is the percentage of utilization of provincial highways set to decline in 2004-2005? Why is the functional adequacy of provincial highways set to decline through to 2007? Why is the percentage of 79.5 so low?

Another issue that Albertans don't have clear-cut answers to. In October 2003 researcher Lisa Prescott prepared a report for the Parkland Institute. The study was entitled Un-accountable: The Case of Highway Maintenance Privatization in Alberta. The study attempted to compare the highway maintenance before and after privatization of the system. Specifically, its purpose was to answer the following question: "Has the switch to private highway maintenance resulted in lower costs for the Alberta government while maintaining the same level of service?"

I think that after the number of years that we have experienced the private model of highway maintenance, we can go back and compare it to any research that was done prior to the privatization of maintenance for Alberta highways. If the minister has any information that he could share with us where comparisons at this point have now been done to determine whether or not this was a cost-saving venture for Albertans.

As well, one of the recommendations of the Auditor General was on the driver examination program, not only the driver examination program but the driving school education. In talking with a constituent who is in the industry of driving school education, he did make a number of statements, he asked some questions, and he did provide some answers. The first one he indicated to me was a road test. What he suggested here was that there be an advanced road test given to those who come from another country with a licence.

One of the reasons that this particular recommendation was put in by him was that a person came to Alberta from another country, within three weeks of arriving in Alberta he had a class 1 licence, and just a few months later he was killed in an accident driving a rig. It upset the whole community quite a bit that a person could come to Alberta from another country, obtain a class 1 licence that quickly, and not have, certainly, the training and experience required to drive a big rig.

Another suggestion that this individual had was that there should be a road test fee cap on the amount an examiner may charge for a road test. Again, he went as far as to say that he's heard where some driving schools and examiners are involved in kickbacks, where they purposely fail a student and get some of the proceeds back to the driving school.

When I look at the Auditor General's recommendations on the testing in recommendation number 41, he goes on to state:

- We recommend that the Ministry of Transportation strengthen its monitoring of and audit processes for driver examiners by:
- preparing annual plans for monitoring and auditing examiners
 - promptly monitoring and auditing driver examiners, and reporting the results to senior management

- training driver program administrators to identify the risk factors of unethical behaviour and to investigate problem examiners
- making the license renewal process as rigorous as the application process

So could the minister please tell us where the department is in fulfilling this particular recommendation 41 of the Auditor General.

As well, another area that was indicated by my constituent was that “the examiner may not force the student to use the examiner’s car whereby they charge an extra fee for usage of their car.” Again, it just adds extra expense to people trying to get their licence right now.

He indicated that he felt it would be a very good recommendation that “every driving school must have their own classroom.” He goes on to say that this would “force many in our industry to clean up their act and provide better service and not treat it as a side business based only on profits.” I think that’s an excellent recommendation.

He goes on to provide some statements in regard to in-car lessons.

Currently the minimum driving time required for in-car lessons is only 10 hours. This is not sufficient enough for many drivers to become a safe and knowledgeable driver. The minimum amount of hours should be raised to 20 hours for the in-car portion. This should be also completed within 60 days but no faster than 30 days.

Again, a very solid and sound recommendation.

He goes on to make some comments about a computerized system using a database. He says that his recommendation here is to make a computerized system whereby every examiner enters into a database system where all registries are linked together along with the government. In the computer/database system there should be:

- The examiner giving the road test
- The name of driver and other personal information (Ex., date of birth, license number. etc.)
- Pass/Fail of driving exam – if failure occurs a reason why should be stated.

Again, I think this recommendation would also help to satisfy recommendation 41 of the Auditor General.

9:10

The last point that he raised was failure to pass a road test. He goes on to say:

- If someone fails the road test, there should be a minimum of one week before they can retake the road test again.
- Some fail one day and pass the other day. This is unusual because without any serious preparation or practice a person can pass the next day.

So, again, I think that would tie into this whole idea where he gets back to perhaps there are some cases where people are being failed and there is an association perhaps between the driving school education program and the road testing system. He did have a number of recommendations here.

Just before our break there was some question as to the retesting of drivers. I was wondering if the minister has done anything in regard to this. Certainly, it was quite a hot topic there for a couple of days, and I think we should not think out loud. Anyway, if the minister has given this any more thought and if, in fact, he is looking at further study into this particular issue.

The graduated drivers’ licences. Again, there are a number of concerns with the graduated drivers’ licences. One of those questions that I would like the minister to address if he could, please: what measures has the government put in place to ensure consistent practices with regard to the graduated licensing system in Alberta? What measures has the government put in place to ensure consistent practices with regard to drivers’ examinations?

I’ll stop there and give the minister a chance to answer those questions. Thank you, Mr. Chairman.

The Chair: The hon. minister.

Mr. Stelmach: Thank you. I must commend the hon. member for spending a considerable amount of time talking about traffic safety because, without a doubt, traffic safety is, as I mentioned, the number one priority in the department. Also, if we’re ever to significantly reduce the tremendous cost to society, which some have pegged at over \$4 billion annually, the only way, of course, is to reduce the number of incidents, not accidents but incidents. Accidents are something that we can’t prevent; most of these on the highways are incidents because they’re all preventable.

With respect to the aging transit system, there’s no doubt that public transit is an important component of the transportation system in the province. We have always taken the position with the grants we give to municipalities that it’s up to the local municipality to decide how much of that they’ll invest in their road infrastructure and how much they’ll invest into the transit system.

I will say, though, that with respect to the observation on the decrease in aviation fuel, that was done from a point of view of initiating and encouraging more wealth creation. I don’t know how I can simplify it in terms of what wealth creation is, but really government’s revenue comes from taxing the profits. We tax income, of course, and as a professional you sell your services as a teacher or lawyer or those kinds of professional services. That adds to the revenue stream. But it’s also that people sell things, and when they sell those things, they make, hopefully, a profit. The profit is calculated many times on how much it costs to transport that gadget to market.

Whether you’re selling a car, whether you’re selling a particular technology in terms of computers or whatever, you have to get them to the marketplace. Right now we’re finding that the average cost, the final cost of a product allocated to transportation is about 16 per cent, but that’s increasing. In those areas where transportation costs sometimes exceed 50 per cent – in grain, for example, there isn’t any profit left because the cost of transportation takes away any amount of profit that may be available.

Efficient transportation systems are very important. They’re important to Albertans because we export 60 per cent of what we produce. Most of that, of course, goes to the States. I think it’s about a billion and a half a day of trade between the two countries across Canada and the States. So that’s very important to our continued quality of life.

It’s significant that in Alberta close to 40 per cent of our GDP is transported by a medium where once it’s in the medium, nobody interferes with it, and that’s a pipeline. Okay? As opposed to a highway, where we would have someone out there inspecting the truck and, you know, the driver’s licence and checking what they’re hauling, et cetera, and maybe intercepting that vehicle at every boundary, most of our GDP is done by pipeline. It’s the most efficient. I believe that leads to the significant wealth that we enjoy in this province. Can you imagine if we had to haul by truck what we were selling to the States? It would be impossible.

Rail does contribute; 16 per cent is by marine. We’re, of course, very, very concerned with respect to the ever-increasing costs of marine shipping. For grain it just increased 50 per cent. It’s putting additional burden on the agricultural community, and there is nothing in sight to indicate to us that those costs will be going down.

What’s even worse is that we can move product from Alberta, but we can’t get it to the ports in B.C. To give you an example, containers, the amount of container handling. China in one year built 132 container handling facilities – 132 – when I say that we can’t build two. What’s even worse is that we have a trade deficit with the country that built 132, China. But you can’t get a truck or even a train very easily now into the Vancouver port.

We’re going to have to strategize and work in co-operation with

not only the B.C. government but also the federal government because there may be one port still open. It gives us three days' quicker access to Asia, and other than some improvements, you know, to the railway, heavier rail line, it would be Prince Rupert. It's the deepest port on the west coast and gives us additional options in terms of reducing those costs. That's just a bit of an example of how important transportation is to the economic well-being of the province of Alberta.

When the hon. member talks about our highways in terms of the deterioration, it is a very important statistic. We're not going to modify it to make it look good; we're reflecting what Albertans are telling us. We are applying very rigorous targets, and it's telling Albertans that we have to invest more in transportation infrastructure.

The other thing that's going to impact us as Albertans is that in the late '70s, early '80s there was quite a large number of kilometres of highways that were paved, and that life expectancy now is coming to an end. So that's going to add more to the inventory of roads, of provincial highways that have to be rehabilitated, preserved.

9:20

Highway maintenance is a topic of discussion, it seems, every year. I know that collectively when you calculate the costs that municipalities have spent, a saving of about \$53 million, roughly 25 per cent. Just by travelling Alberta highways, I do know that the summer maintenance in terms of crack filling and sealing has certainly been improved.

Also the movement of goods. Here's something that does not come up in many of these calculations of savings, and that is for the trucker. Let's say, for instance, under the old system if you were loading pipe in Nisku and you were hauling it to Fort McMurray, well, before you got off highway 831 you would have travelled through four municipalities, and they all set their own road bans. So you phone the first municipality on the long trek to Fort McMurray and say: "What's your road ban?" "Well, we're 90 per cent." Same country, same province, same weather: nothing different. Well, when you cross the North Saskatchewan River into the next municipality, you find that their road bans could be 80 per cent. So the poor trucker has to either turn around and leave 10 per cent of the load back someplace or risk facing a fine. Here we are just from one municipality boundary to another having a different road ban. Engineeringwise does it make sense? I doubt it.

However, now with the new one-call system the trucker can make one call to a 1-800 number, get all their road bans, and they are consistent in the province. Yes, we do have road bans on some roads that we have difficulty with, depending on the construction, often, and the age of the highway. Generally we like to allow as much free flow of truck traffic given the kind of appropriate weights, those that are legislated in terms of the weights in the province.

With respect to snow clearing, this year was quite unusual with the kinds of temperature changes and the amount of snow. As a reeve in the county of Lamont in the mid to late '80s I remember that there were a couple of years when we never had any road bans. There was hardly any frost, so why would you want to ban the road? Then, of course, we hardly moved any snow. The weather was excellent right through. Costs were down.

In the last couple of years we've had some unusual storms. It started with reasonably warm temperatures. The pavement structure was above zero. A front moved in, a lot of snow. It froze up the highway. Given the number of pieces of equipment out there and the fact that maintenance contractors do not get paid idling their trucks in the sand shed – they've got to be out on the highway, monitored very closely.

I know that there are some municipalities that feel that there could be improvements, and we're working with them, but generally speaking, when you compare the road maintenance in this province with our neighbouring provinces, I stand up and say that we're better and challenge them to show that we're not. That doesn't mean that there isn't continued room for improvement and for applying innovation to road maintenance as well.

Now, with driver education I'd like to inform the House and the Member for Edmonton-Glengarry that we are working very closely with the Auditor General. The first step, of course, was to send out a survey to the driving schools and the examiners, and the survey responses are coming back. We did meet with the Professional Driver Educators' Association of Alberta just this week. They've given us some information, but there are a couple of issues here.

I know, as the hon. Member for Edmonton-Glengarry indicated, that there are these – I hate to call them stories – situations that may come up, and the person says: I feel something didn't quite happen right in this driver education school. So you would ask that member to make a complaint. Well, once they get their driver's licence, they're going to say: well, there was something wrong, but I don't want to complain because I'll lose my driver's licence and might have to come back and get it again. So that's something that we're facing. I can assure you that from meeting with the driver educators' association, they are committed to working with the department, with the government, and with the Auditor General to find ways we can ensure not only better service delivery but improve the integrity of driver education and driver testing.

The question came up with an other-country person getting a driver's licence. I'd be interested in getting information later in terms of the country of origin because we do have some reciprocal agreements with some jurisdictions and, you know, it may be one of those; I'm not quite sure. We'll certainly work on that. I can't answer this evening because I'd have to check into whether it applies also to class 1. I'm not quite sure, but we'll certainly find that out.

The comments raised by the hon. member actually are very close to those raised by the members of the Professional Driver Educators' Association: road testing, use of the car, classroom instruction. Right now, today, if any one of us took a road test and failed, automatically there would be a flag on the computer. Let's say I wanted to do a road test in Andrew, and I failed, so I figured I'd drive to Lamont and do my road test there the same day. There would be a flag that said, no, I've run the road test that day. Extending it a week, you know, might have merit. In many areas in rural Alberta they probably do that because the driver examiner doesn't come back until a week later, perhaps. That doesn't mean that you can't do that in the city, though, in a larger population. At least there is that flag for the one day, but we'll certainly look at one week.

You know, the House adjourns and allows members to be in the constituency, and there's always some issue that comes up very innocently. Retesting of drivers. Of course, this came to the House as a question raised by the Member for Medicine Hat reflecting a question asked by a grade 10 student, who said: "Boy, you're so concerned about testing young drivers, but what about these drivers who might have had their driver's licence for 50 years? When have they ever been retested?"

Well, following all the cards and letters and flowers, there was one perhaps common theme. Some felt that it would be a money grab: "Well, I have to go get retested, so all you want is more money." Okay; fine. On the other hand, some of those same people that were looking at a money grab did indicate that it makes sense to test those that lose their driver's licences to violations of the Traffic Safety Act. We'll see what Don McDermid puts in his report at the end of May

and what he presents. That was something that was supported, actually, quite vigorously. Those that create the incidents on the highways, that create the cost to us in terms of insurance, that create additional risk should have to be retested and pay for it out of their pocket and not have the insurance industry or the average Albertan pay for their mistakes.

There are, as mentioned, the graduated driver's licences. This is the first year of operation. We're looking at the statistics at year-end to see how it's working for Albertans. One of the areas we are working on is the exit exam. It's part of the GDL in this province. Some provinces don't have the exit exam but do have some other restrictions in terms of number of passengers in the vehicle driven by an inexperienced driver and also have some curfew hours.

Again, many different ideas are coming forward on the GDL, support across the province for the program, but after we get the statistics and get the information, we're also looking at how we might have to change it or modify it or improve it. We are, though, working on the exit exams as well. We'll have to have those ready here soon because those that have got their probationary licences will then have to do their final exam next year before they can get their full driving privileges.

I do believe that it will reduce injury and fatalities. It certainly has in those provinces that have implemented it. Once we receive all the information and statistics, then we'll make the adjustments based on that evidence.

I think that's it so far.

9:30

The Chair: Before calling on any further members, just a reminder to all members that we're now in the second hour, and as it were, the net is cast wider.

The hon. Member for Edmonton-Glengarry.

Mr. Bonner: Thanks, Mr. Chairman. Just a few more comments and questions here of the minister. When we talk about the retesting of drivers, I think one of the comments you made at the time that this issue came about was that we certainly in retesting drivers cannot test for attitudes when they're behind the wheel. One of the recommendations that has come forward to me since that time has been that perhaps more valuable than retesting might be sending these people to driver education again. So that was one of the things that came up.

Another issue that came up as well was the cost of whether we retest or retrain. Certainly, those costs should be borne by those people who violate the privilege of driving on our highways. One of the recommendations that did come forward is that perhaps those people that reach a certain number of demerit points are great candidates to go back, number one, to drivers' school and, secondly, to be retested.

If, for example, people have had numerous at-fault accidents – and I don't know what number we would pick and what period of time we would use. Certainly, another way that we can start to put pressure on these drivers that are abusing the privilege of driving on our roads and making them unsafe is that they have to start bearing the cost as well as receiving the training. I think there is merit in some type of program, and I don't know what the final model would look like, but I will be interested to see what does come forward.

The Premier was talking earlier about the government funding \$1.25 million for a feasibility study on a rail link to Fort McMurray. Is this \$1.25 million coming from the Department of Transportation? Again, why would government fund a study for independent business here in the province, something for the private sector?

In speaking to a number of people who are involved with the

railroads between, first of all, Edmonton to Boyle and then Boyle through RailAmerica to Fort McMurray, they certainly are all great fans of continuing rail line. Just a few years ago they did upgrade that section of the line between Edmonton and Boyle. If we are going to have an increase in traffic on the present line, then certainly some work would have to be done. Whichever route is chosen, any route that goes over muskeg is going to be very costly, very costly to build a new line and even costly to upgrade the present line.

There are some pieces of equipment that are going to be required in the \$50 billion of approved projects that have to be hauled by rail. They're just too heavy for our highways. So there definitely is a place where we can use both the rail and the highway. Certainly, one of the suggestions which might be a quick fix to the highway and the problems with the great amount of traffic on that highway is that there would be more passing lanes so that when we are hauling heavier pieces of equipment or in slower traffic for whatever reason, they do have a chance to pull over and allow others to pass.

Would the minister have any indication yet as to what the alternative route to the existing route is if there is to be a new rail link, say from Boyle to Fort McMurray, or would the present one be used? As well, would he make available to us the report which is going to be done on the feasibility study for the rail link? Will there be public consultations in regard to any new rail line or improvement of the existing line?

An issue that I brought up earlier was about highway safety regarding the intermodal yards on the west end of Edmonton and particularly during a strike, when we do have a disruption of skilled workers at a job and management is brought in to do some of the other jobs. Certainly, the skilled workers that were on the picket line were able to prevent, I think, some accidents there just by stopping traffic and letting people know that loads were not properly secured.

With other unions now entering into the negotiation part of their contract, we could have a situation again where there's going to be some disruption with Canadian National and perhaps with the movement of intermodal traffic. Has the minister thought about putting some type of contingency plan in place whereby if people that are not regularly doing that job or if the job is being done by management – and of course we have a skinny workforce at that particular point – there is some sort of contingency plan where we can ensure the safety of those vehicles leaving the intermodal yards with a load on and travelling on Alberta highways and that those loads are properly tied down?

I think that with that, Mr. Minister, that concludes my questions for this evening. Thank you very much.

The Chair: The hon. minister.

Mr. Stelmach: Thank you, Mr. Chairman. Very quickly, on some of the questions I will respond in writing and also pass the question in terms of studying the rail over to the Minister of Economic Development. I can tell you, the money is not coming from the Department of Transportation.

When we talk about transportation, there are certain things that we don't normally think about, and one is of course the environmental emissions with the literally thousands of trips that'll be made to Fort McMurray if we don't have another way of hauling them there. Secondly, the social costs. Can we move people from Fort McMurray down towards Edmonton, towards their families much quicker? Wouldn't that save? And the other, health costs. You know, I think those are sort of important considerations.

Even if we calculate them for future major roadways, that's what we should be looking at also. We always look at the capital costs, but there are other savings that we don't really normally consider.

As time progresses, I think those will actually be calculated into the value of highway infrastructure.

With respect to the rail, the report, the public consultation, we'll make sure that the Minister of Economic Development gets those.

9:40

With respect to the disruption in intermodal yards we do have very strict rules in place once those trucks get out on provincial highways. We have the only accredited motor transport officer force in, well, Canada at least, if not in North America. They're very professional. Our percentage of incidents in terms of large trucks compared to passenger vehicles and compared to other provinces is below the number of accidents in other jurisdictions.

I can tell you that in this province you don't hear the horror stories of wheels flying off trucks, et cetera. We have a pretty good, stringent system, and we did add to the complement of our MT officers a few years ago when we took over the additional 15,000 kilometres of roads.

To the Member for Edmonton-Glengarry, I will get back to him on the questions that I've missed and, of course, in more detail as well.

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

Mr. Mason: Thank you very much, Mr. Chairman. I appreciate the opportunity to listen to the minister's response to questions this evening and appreciate his being available and as well his staff taking the time to be here.

I think the hon. Member for Edmonton-Glengarry has covered a lot of ground here. I have questions specifically related to the Fort McMurray railway project, first of all. The Department of Transportation has been named as the, quote, other department, together with Economic Development, that is collaborating on the Athabasca Oil Sands Transportation Corporation, but it is not spelled out in the Transportation department's business plans or budget estimates. On page 411 of the business plans reference is made to research and development under Economic Development Strategy, but there's not a line item in any of the department's budgets to deal with this.

So the first question is: can the minister explain what role his department is taking on this Fort McMurray railway study since it's apparently going to go ahead although the source of the funding has not been identified? And I'd like to know what the rules are with respect to tendering on studies and projects under his department, recognizing that it's important that we have some rules around that. So those, I guess, Mr. Chairman, will do for now.

I guess there are a couple more questions. Why is it that the Minister of Transportation isn't conducting the feasibility study? I guess that's a question that I'd really like to know. Maybe it has something to do with what's in the feasibility study. Is the feasibility study just looking at the economic value of such a railway, its economic impact on the oil sands development and so on, or is the feasibility study with respect to transportation aspects of a railway, the economics of the railway, and so on?

So those, Mr. Chairman, are my questions for the moment.

Mr. Stelmach: Very quickly, there is no line item because we're not paying for the study. We play a supportive role. We have people in the department that are experienced in calculating various costs, you know, and I'll put one out to you. Does anybody know what the costs of bridge repair and bridge strengthening will be over the next 20 years if we don't ship anything by rail and just ship by truck? You know, I don't have that information, but sooner or later we should cost that out or get an idea, because if we don't, a few years from now someone's going to criticize us and say: well, why didn't you even ask those questions?

So in terms of the Department of Transportation we're playing the supportive role in providing as much information as we can and facilitating the collection of that information, but the Minister of Economic Development is the one that will be conducting the study. He'll be responsible for it. We're there to provide the information.

Mr. Mason: To follow up on that, I guess the question I'm trying to get at is: is this a feasibility study that has to do with transportation infrastructure, and if so, why is Economic Development dealing with it instead of Transportation, and when will the Transportation department take over doing the studies for this project? Is there some particular point in time when you determine a particular mode of transportation or a particular line that the Transportation department will start doing the work on feasibility planning and so on?

Mr. Stelmach: We do a number of studies in the department in terms of five-, 10-, 20-, or even 40- or 50-year projections in terms of what highways require interchanges, trying to estimate growth in population in certain areas. With respect to this particular study our purpose here is to calculate the cost to Albertans in terms of transporting the number of vessels that will have to make their way to Fort McMurray, the cost of maintenance on highways, the cost, as well, perhaps – I don't know if it's the cost or just a real irritant. The hon. member doesn't travel on a daily basis those highways that these heavy vessels are on.

Quite frankly, the other hon. member says: well, maybe build more passing lanes. Well, when you're moving at five miles an hour and from one passing lane to another it may be 10 miles, that person behind that vessel is quite irritated, you know. We'll find that there are only certain routes that we can take because there are only certain bridges with the particular strength and also the design of those bridges. So those are things that we have to consider, and that's strictly from the Transportation side. That's our purpose there.

Like I said, there's the human cost, the human savings, and the environmental issues as well. One trainload hauling X number of pieces as opposed to – what? – maybe 15 trucks in one convoy, and they're only hauling one vessel. You've got two trucks up front, two in the back, all the flag people and the flag trucks, et cetera. And that's just one consideration, to see if we can bring those social costs down as well. But our purpose there, as I said before, is to provide that information as much as we can, that evidence in terms of some of the costs that we think will impact the Alberta taxpayer 10, 20 years from now with the unprecedented growth in Fort McMurray.

You know, I think we're in a very good position now in Alberta for something that happens internationally in terms of increasing the value of the tar sands, the oil, to the North American market. We should be planning. Yes, studies do cost money, but on the other hand if they save us a few hundred million dollars, it's a good investment. Let's first calculate, though, what some of the costs will be, and then Albertans will know those costs and make the determination whether it's wise to ship by rail or do it the traditional way.

Mr. Mason: Well, I'm still a little puzzled. I would certainly hope that at some point the planning for the project will be turned over to Transportation. I would be quite nervous travelling over a trestle bridge that was designed by the Ministry of Economic Development. I don't know that they're exactly qualified for that type of work. So at some point I hope that the government as a whole makes the decision to turn this project over to the appropriate department.

9:50

Now, I just have a question relating to the use of photoradar by the province. I'm wondering if the provincial government is going to go

ahead with approving photoradar for Alberta highways and, if so, what criteria they'll use to do that.

I guess a related question has to do with the Edmonton/Calgary corridor. The four-lane highway I think is beginning to suffer at certain periods from a certain degree of congestion and overcrowding. I'd like to ask the minister if the government has any plans to expand the number of lanes in the highway between Edmonton and Calgary from four to six or whatever combinations would be appropriate at various points.

Thank you, Mr. Chairman.

Mr. Stelmach: With respect to highway 2 I believe we have something like 30 projects in our capital plan. Sooner or later we'll have to look at adding some lanes in certain stretches of the highway. There's a fair amount of the highway that has to be preserved as well. But it's a very interesting thought.

I don't know if the hon. Member for Edmonton-Highlands was born when this happened. I think I might have been; I'm not quite sure. When that highway was first introduced by the Social Credit government of the day, the headlines in the *Edmonton Journal* were something to the effect of what a stupid idea, spending all this money on this road joining Edmonton and Calgary. You know, just look at the economic growth as a result of that transportation link. So I guess I just pose the question: did the roads in this province build the wealth, or did the wealth build the roads?

If we're to continue with the excellent quality of life that we enjoy in this province, we're going to have to give some serious thought to that question. I submit that it's the roads that built the wealth. It's the transportation links. So, yes, future investment in highways in this province will determine future economic wealth generation and, as a result, the quality of life. You can't put it any simpler than that.

With respect to photoradar there's no move on behalf of this department to make any changes to the current deployment policy.

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

Mr. Bonner: Thank you very much, Mr. Chairman. Just a couple of comments. It seems that we're into this rail-versus-highway discussion here this evening, and there has to be a role for both. The railroads can haul much heavier loads, but they're restricted to a maximum width of 14 feet 6 inches. Some of the projects that are built right now for Fort McMurray get up to 24 and a half feet wide. I think that's the maximum that can be hauled by highway. So we do need both of those systems in order to get these materials to the site.

As well, when we have a number of prefab parts for Fort McMurray that are built offshore, then certainly the best way to get those to Fort McMurray is by rail. So definitely there are advantages for both, and both serve their niche very well.

As well, we have to realize that any time we're going to take product and put it on a rail car and transport it to Edmonton or wherever and then unload it and put it onto trucks or move it by truck, that's going to take a lot of time. You're looking at least at a two- to three-day delay by the time you load it, you transport it, you unload it. So that highway is always going to be under tremendous pressure. As of right now I think that there are roughly only a thousand rail cars per month that are used, so, you know, ballpark, 30, 35 cars per day. So to rebuild a line that's worth \$300 million, we have to increase traffic quite a bit. As well, one of the concerns I have is that a major product that is moving from Fort McMurray is moving through a pipeline. So we're really building almost a one-way railroad.

I think that there is a very big need for both a good rail line and a

good highway. That will serve the development of the north very well.

Thank you.

The Chair: After considering the business plan and proposed estimates for the Department of Transportation for the fiscal year ending March 31, 2005, are you ready for the vote?

Hon. Members: Agreed.

Agreed to:

Operating Expense and	
Equipment/Inventory Purchases	\$1,073,732,000
Capital Investment	\$442,000,000

The Chair: Shall the vote be reported? Are you agreed?

Hon. Members: Agreed.

The Chair: Opposed? Carried.

The hon. Government House Leader.

Mr. Hancock: Thank you, Mr. Chairman. I'd move that the Committee of Supply rise and report the estimates of the Department of Transportation and beg leave to sit again.

[Motion carried]

[The Deputy Speaker in the chair]

Mr. Klapstein: Mr. Speaker, the Committee of Supply has had under consideration certain resolutions, reports as follows, and requests leave to sit again.

Resolved that a sum not exceeding the following be granted to Her Majesty for the fiscal year ending March 31, 2005, for the following department.

Transportation: operating expense and equipment/inventory purchases, \$1,073,732,000; capital investment, \$442,000,000.

The Deputy Speaker: All those who concur in this report, please say aye.

Hon. Members: Aye.

The Deputy Speaker: Those opposed, please say no. The motion is carried.

head: **Government Bills and Orders**

head: Committee of the Whole

[Mr. Tannas in the chair]

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

Bill 22

Election Statutes Amendment Act, 2004

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

Mr. Mason: Thank you very much, Mr. Chairman. I'm pleased to make some comments with respect to Bill 22, and I have an amendment. So if I can get that photocopied now, I will bring that forward sometime in the future this evening.

10:00

Mr. Chairman, I want to indicate that I think a bill such as this, that regulates our elections, is probably one of the most important and fundamental pieces of legislation that we can deal with because it regulates our entire democratic process. So it's very significant when it does come forward, and it's important that there should be widespread consideration of this.

Chair's Ruling Amendments

The Chair: Hon. member, the chair has some difficulty. The regular practice of those members who are proposing an amendment is that they have them available first of all to the table and, secondly and equally importantly, to all members. We have none of those, so it's hard for us to be able to have you continue your explanation of the need for this amendment without a copy of it.

Mr. Mason: Sorry, Mr. Chairman. Perhaps you didn't follow my convoluted explanation of what I'm doing. I'm making comments to the bill.

The Chair: If you're on that, then that's fine.

Mr. Mason: I didn't know for sure what the Government House Leader intended with respect to it, so I haven't copied it. I have plenty to say on the bill, and when I get the copies of the amendment, then I'll switch to speaking to the amendments.

The Chair: Okay. As long as you're just making comments on the bill.

Mr. Mason: Yes. I'm not talking about the amendment at all.

The Chair: Fair enough.

Debate Continued

Mr. Mason: I'm talking about the bill, and I was saying, Mr. Chairman, that I do believe that the bills which regulate our electoral system and our electoral process are fundamental and need to be given a great deal of scrutiny. I just want to indicate that there are a number of issues related to this bill that I think bear some comment.

There are some good things about this bill, Mr. Chairman. First of all, there are sections which will increase the access of candidates to mobile homes and gated communities. One of the things that we've probably all experienced and I think more particularly those of us who live in built-up urban areas is sometimes the difficulty you have getting access to apartments. There are different ways of dealing with that, but sometimes building managers are unfamiliar with the legislation or ignore the legislation or don't care about the legislation and refuse to allow you access to the citizens. This is a basic democratic right, that candidates have the right to contact voters at an election. The voters have every right to slam the door in their face, but the candidate has the right to make the initial contact with a voter in order to present themselves as a candidate for election.

There is lots of difficulty. Those of us who have high-rise apartments with security systems and so on, condominiums as well, find that it is often very, very difficult to contact significant numbers of voters. I don't have a lot of gated communities in my constituency, but some may.

Ms Blakeman: You have some.

Mr. Mason: Do I?

Ms Blakeman: Yes, you do.

Mr. Mason: Okay. I'm sure that there can be similar problems there, so that's a positive change that this bill presents.

I think there is quite a bit of clarification and updating of the legislation, housekeeping changes; for example, having polling officers wear identification badges instead of wearing tags around the neck. You know, these are small things that clean up and improve the legislation, and I think nobody can find any difficulty with those kinds of things.

I also want to indicate that we support changes that would make funds raised through events considered to be contributions. That will have the effect of making them reportable and will also have the effect of increasing the transparency.

Now, there are some things we're not really clear about, and maybe the hon. Minister of Justice can help clarify that. There are significant changes which are being made to the advanced poll system. We're unclear on how this will affect the process of election campaigning. So I think that's one of the things that we want to talk about.

One of the issues that we have problems with is the increase in the deposit. Now, that will disproportionately hurt smaller political parties, of which we don't include ourselves. I'm talking about other groups that we've contacted, small parties like the Alberta First Party, Alberta Social Credit Party, Alberta Green Party, Communist Party of Canada, and so on. These are other parties that add to our democratic vitality. They increase the choices that are available to people, and they often have a very important function of raising issues that some of the mainstream parties may not want to talk about. I think that anything that affects their ability to participate in elections in this province has got to be seen as a negative thing. So that's a concern.

The government news release talks about this increase in the deposit as an attempt to reduce frivolous candidates. I have to pose a question, Mr. Chairman. In a democracy what is a frivolous candidate? The government has not defined that. I think it is very difficult indeed to define what a frivolous candidate is. Perhaps someone who is obviously intent on ridiculing the political process could be considered a frivolous candidate, but I think another point of view would be that if someone wants to ridicule the political process, that is a legitimate political point of view and should be expressed.

I feel that we have to reject the idea of frivolous candidates, although we've all been in elections where there were some candidates that we really wished weren't there, but I think to take concrete steps to exclude them through financial means is not appropriate. Mr. Chairman, in the election of 2001 nearly two-thirds of the candidates who ran lost their deposit. This is not an insignificant financial issue, and I think we ought to reconsider this question.

Now, I do want to talk at some point – and maybe I will wait until third reading for this – about the archaic first past the post system that we use in this country to elect candidates. It marginalizes smaller voices, and it tends to increase the representation in the Legislature of the larger parties and in particular in this case the government party. I think increasing numbers of Canadians are coming to see the first past the post system that we use in this country as a fundamental affront to democracy and one of the biggest stumbling blocks to a better and more functional democracy in our province and our country. Perhaps I will speak a little bit more

about that at third reading, but I do think we need to get serious about bringing our election statutes into the 21st century, and this primarily housekeeping legislation doesn't do that.

10:10

As well, the contributions to constituency associations are being increased in this bill. Now, currently the Progressive Conservative Party of Alberta is the only party that accepts donations in this fashion. Donations to the other parties – I stand to be corrected by my Liberal colleagues – certainly in ours, the contributions are not made to the constituency association. They're made to the party. [interjection] You can do both. Okay. It seems to me that there is some built-in bias here in the legislation in that it is being changed in a way which benefits the government party over and above the other parties. So we don't support that particular aspect.

Now if I can come to my amendment, I'll ask for that to be distributed.

The Chair: Hon. member, would you move it? We'll call it amendment A5 once you have moved it, and then we can have it distributed.

Mr. Mason: Yes, Mr. Chairman, I'll do that. I will move that Bill 22, the Election Statutes Amendment Act, 2004, be amended by striking out section 98.

The Chair: Okay. That's amendment A5. We'll just take a minute. Please hand it out to the people that are actually at their places.

Edmonton-Highlands, you may proceed. Most people now have them. There are only a few that have yet to receive them.

Mr. Mason: Thank you very much, Mr. Chairman. This amendment will amend the Alberta Corporate Tax Act by striking out the entire section which provides tax breaks for campaign donations for corporations. The original section provides a 75 per cent tax reduction for the first \$150, then \$112.50 plus 50 per cent of the amount contributed up to \$825. The proposed legislation will increase the top end of these tax reductions from \$150 to \$200 and from \$825 to \$1,100.

Unfortunately, Mr. Chairman, it would be considered out of order to eliminate the tax breaks entirely by amending the particular bill that's before us, but this amendment would prevent the tax breaks for corporations' political donations from becoming any more generous than they already are.

Dr. Taylor: Only because you don't get any money from corporations.

Mr. Mason: The hon. Minister of Environment is saying that we don't get any money from corporations. We don't take any money from corporations, Mr. Chairman, and we don't think that the corporate sector should be influencing the policy of the province in such a profound way as it clearly is in this province.

Dr. Taylor: Do you take it from unions?

The Chair: Hon. minister, when the hon. Member for Edmonton-Highlands is finished, we will call upon you to give your comments so that we all may hear them.

Edmonton-Highlands.

Mr. Mason: Thank you, Mr. Chairman. Now, we've all read the various donations that have been released for the political parties in

Alberta in the last little while, and anyone that takes a look at the contributions from corporations to the Progressive Conservative Party and their enormous war chest will clearly understand that corporate money in this province has an undue influence on who gets elected as the government of this province and thereby secures their own interests very well. Anyone with any political sense whatsoever and two eyes to see, Mr. Chairman, can see that that is in fact the case. The enormous war chest from corporate donations that has been raised by the Conservative Party creates an enormous imbalance in the political situation in this province and is largely to blame for the enormous tenure of this government. So I believe that we should change that and reflect a better balance.

It's my personal view, Mr. Chairman, that the only people who should have an interest in politics in a democracy are the citizens themselves. Other organizations such as corporations and unions should not be in a position to influence political policy and who is in fact the government. Only the individual citizens should be parties to the democratic process, and that is where we need to move. That is, in fact, where the federal government has moved in a fitful way with its changes to its election finance legislation.

The government of Manitoba has led the way by eliminating corporate donations altogether and also union donations altogether so that the only people that can contribute to election campaigns and political parties are individual citizens. That's how it should be in this province as well. Instead, the government is going in the opposite direction, and they're expanding the tax deductibility of corporate campaign donations. This amendment is designed to try and stop that from happening, and I think it's an important situation.

You know, I just want to indicate to the Minister of Environment and anyone else that is interested that we would gladly forgo union donations if the Conservative government and, in fact, the Liberal Party as well would forgo accepting donations from corporations. That would put it on a fair balance. I should point out, Mr. Chairman, not to brag or anything . . .

Dr. Taylor: Far be it from you to brag, Brian.

Mr. Mason: Far be it from me to brag indeed. In the most recent financial disclosures of campaign donations the party with the highest donations from individual citizens was the Alberta New Democrats. So I think it puts it a little bit in perspective.

Dr. Taylor: You're not speaking out of self-interest.

The Chair: Hon. Minister of Environment, the invitation still stands that once the hon. member has finished his comments, then you can make your comments.

Dr. Taylor: He's provoking me, Mr. Chairman.

Mr. Mason: I could read a speech from the Premier and I would provoke the hon. minister, I guess. I don't know.

Nevertheless, Mr. Chairman, just to conclude, we categorically oppose the direction of the government in expanding the tax relief or tax rebates for political donations for corporations. They get far too much money from corporations. Corporations have far too much influence in this government's policies, as can be seen in any number of areas, and ordinary citizens have far too little influence in the policies of this government. To go even further and expand the ability and the capacity of corporations to influence who is the government of this province and what their policies are is unacceptable to us, and that's why we have proposed this motion, though by

scant chance do we expect that this government will move away from its addiction to corporate donations.

Thank you, Mr. Chairman.

The Chair: The hon. Member for Edmonton-Centre on amendment A5.

10:20

Ms Blakeman: I'm sorry. I should have allowed the Minister of Environment to speak. Oh, well, perhaps after me then.

This is an interesting amendment that the Member for Edmonton-Highlands has proposed. It's interesting because it doesn't strike out the sections which allow for an increase in the contribution limits or in fact strike out the ability for either corporations or unions or individuals to contribute funds to political campaigns, but it takes away the incentive that is offered through a tax receipt. In other words, the corporations would not be paying income tax on the amount that has been donated. There's always a percentage that's involved there as well.

So it's quite a canny way of approaching this. Corporations don't get any additional incentive through the sort of reward system of having a tax receipt issued for the amounts of money that have been donated to political parties or to individual candidates during campaigns. So it would really show where the interest was from corporations. Quite an interesting idea.

I always approach that from the point of view of forgone revenue, because essentially that's what's happening. When a tax receipt is issued, the government is saying: okay, we're not going to collect our income tax on that amount of money. So if they're not collecting that income tax, they're forgoing it. In the same way, there needs to be a measurement of what they expect to get from that forgone revenue, from that policy implementation that's happened through that.

As my hon. colleague from Edmonton-Highlands has already pointed out, there can be a very close connection between corporate donations and government policy. I think that closely connected to this, it also shows us the need for a lobbyist registry. In fact, I was able to attend last September as a member of the Legislative Offices Committee, an all-party committee of this Assembly, a COGEL conference, the Council on Governmental Ethics Laws, in Texas. Some of the most well attended sessions in there were around campaign finance and lobbyist registries, interestingly enough, because there is a close connection between government policy and who's contributing to campaign coffers.

The choice in the United States has been to say: okay; there's no limit. They actually view political donations on the same par as freedom of speech, and they say: we will put no limits on that. But they are very clear that it all has to be above-board. You have to readily be able to access who is giving money where and through any possible source, including things like corporations that give bonuses to their senior managers with the expectation that those managers then in turn donate to political parties. That kind of information has to come out as well, because there's a recognition that there often is an influence between decisions that the government makes, policies they implement, programs that they introduce or withdraw, and those who are supporting candidates and political parties through political contributions. The saying that he who pays the piper often calls the tune is often brought forward in these discussions as well.

You know, I have to say that on a free vote I would certainly go towards severely reducing or eliminating corporate donations because I think that what's important here is the individual. I think that as legislators we're elected to represent the individual, not to

represent corporations, and increasingly we see corporations take on larger rights than individuals have in our society, where we have multinational corporations that have more power than governments of countries. We're now facing that sort of a situation.

So curbing the influence I think is a good idea, and this is an interesting way to approach it. It doesn't set any limits on what corporations can donate, but it takes away that additional incentive, that icing on the cake that corporations have been able to enjoy. Not only are they able to help finance the campaigns and often the successful campaigns of the political parties and candidates that they support, but they get the additional incentive of being able to pay less taxes on that equivalent percentage of money.

So at this point I'm willing to support the amendment that's been brought forward by the Member for Edmonton-Highlands, and I encourage other members to join in. Thank you.

The Chair: The hon. Minister of Justice and Attorney General.

Mr. Hancock: Thank you, Mr. Speaker. I wasn't really going to join debate on this, and I won't speak for long. Obviously, the amendment deletes a section, purportedly the section of the bill which really just is updating the amounts available for tax receipt, and there's nothing nefarious about that. There's no public policy process that's offended by that, in my viewpoint.

What is offensive about what I've heard tonight – and I don't mean this with any intention to denigrate the contribution of the two members opposite that spoke. I always find it offensive when people make the automatic assumption that by making a donation to a political party, somehow people are buying favour. I don't know what world they live in, but people do not buy my favour by making a contribution to my political campaign. I assume that people who are contributing to my political campaign and my constituency association and my party are doing so because they believe that the political process is important and ought to be supported, and whether that's done as an individual or whether that's done as a corporation, it's something that the citizens of Alberta do because governance is important and the Legislature is important and supporting people in the quest to represent people in the Legislature is important.

I get tired of people getting up – and I particularly get tired of people who ought to know better because they're elected representatives – and talking about how he who pays the piper calls the tune. That's not the way it works in my world. It may be the way it works in your world. I hope it isn't.

The reality of it is that you can't buy favour with a paltry donation to a political party in this province or, I would dare say, in most places. The fact that the Chief Electoral Officer publishes every year the donations to the party keeps the process above-board and makes sure that everybody knows who is making contributions. But I don't think we should sit quietly in this House and allow people to denigrate the political process by suggesting that those citizens, whether they're acting individually or through their corporations to support the political process and ensure that people who want to run for office are supported by more than just their own financial resources and those of their families, are somehow a denigration to the process. I just felt that I had to say that before we go to a vote on this.

The Chair: The hon. Member for Edmonton-Highlands on amendment A5.

Mr. Mason: Thank you very much, Mr. Chairman. To close, well, I fear that the minister doth protest too much. You know, I didn't want to put it so crassly as this, but it is not individual favours that

the corporate sector buys through their donations in this province. It is a government whose whole policy is favourable towards them, and they support this government because it's a right-wing government that supports corporations at every turn. They give this government a tremendously unfair financial advantage, which they use to secure massive majorities to ensure that the province is kept safe for the corporate sector, and that's what they're getting. They're not getting individual favours from individual ministers, but they give their money to this government because it's a right-wing, pro-corporation government, and that's why their provincial political party has \$3 million in the bank and the election is still a year off.

An Hon. Member: How do you know?

Mr. Mason: I know because the financial disclosure statements were just released about two weeks ago, so it's clear. So I just want to say that.

10:30

The role of corporate financing of elections in this province is a scandal, in my view. It needs to be corrected, and it should be corrected. The Manitoba government has given an example of just how to do it, Mr. Chairman.

So thank you very much.

[Motion on amendment A5 lost]

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

Ms Blakeman: Thanks very much, Mr. Chairman. Well, I had hoped that some of the amendments that had been brought forward during Committee of the Whole for Bill 22, the Election Statutes Amendment Act, 2004, would have passed. I think there were some really innovative ideas whose time had come, particularly the amendment brought forward by the Official Opposition around the citizens' assembly. Certainly, we're seeing a movement from that from British Columbia. There's a movement happening in the Northwest Territories around those sorts of ideas. They're discussing things like citizens' initiatives, the assembly idea that they're doing in British Columbia. We need to move further forward on this than what's being allowed for in this bill.

This is, for the most part, a housekeeping bill. It's a little tidy up, a few adjustments of the lines, the parameters under which things operate. But I was really hoping to see some larger leaps forward, some movement towards a proportional representation, some of the things that would engage some of our younger voters. Unfortunately, everything that was brought forward that might have moved us in that direction was defeated.

I go back to my original comments when I spoke in second reading on this bill. I think we have a problem in this province at the point where governments are being elected with 50 per cent of the people eligible to vote and that percentage is dropping. We reach a point where the government itself has no credibility because it's been elected by so few people. I guess it's at that point that the government will be roused to start to engage in some of these more innovative modernizations of the democratic system that we have in Canada. I had hoped that that would happen sooner rather than later but obviously not with the co-operation of the current government.

The second amendment that had been brought forward by the Liberal opposition was eliminating the increase in the filing fee, that my colleague from Edmonton-Highlands also referred to, because it does make it more difficult for the smaller, some would call fringe, political parties, not because it's difficult for them once or twice with

just a few candidates, but certainly if they're looking to field five or 10 candidates, then that increase in the filing fee does become a barrier to candidates running. I think that's wrong. I don't think that we should be putting up more barriers to people getting involved in the political process. I think we should be trying to take those barriers down. So I was disappointed that the government wouldn't support that.

Finally, there was a shared amendment, or I guess both the Liberal and ND oppositions had amendments on striking the introduction of the unique identifier number. In fact, it was brought forward with agreement but by the third party, the ND opposition. That was also defeated. There's been a fair amount of discussion, looking back over the *Hansard*, a fair amount of concern expressed by people over the use of a unique identifier number. I understand the argument that it was to make sure that where we had people with similar names in the same household, you know, to get rid of the confusion with the increasing commonness of names, or where people are living in one place and working in another or they're students or whatever, this identifier number would assist with that.

The concerns that have been raised for the most part are around the protection of the personal information that's attached to that identifier number, and the concern is that we've not been terribly successful at protecting that information thus far. We have to continue to find ways to safeguard that information.

I came at this from a different point of view because I felt that that unique identifier number could be used to start to help us move towards electronic voting, Internet voting, which I hoped was going to bring in a younger generation of people that are much more hooked into the use of the Internet, and that sort of participatory introduction or that way of participating in the process. Certainly, the younger people that I'm working with are indicating very clearly to me that that's what they find exciting and that's an entry route that they'd be interested in using.

So I think what we have here is a caution that's been expressed, and I hope that the government hears it and works hard to try and protect that personal information. We really will have a problem if it's not able to be protected and people can't trust that that information is not going to be misused in some way or stolen or left in a box in somebody's backyard or left on a computer hard drive and all the other things that have gone wrong recently.

One of the other things I was pleased to see was the firming up of the definitions around access to secure buildings, and that included gated communities, trailer parks, multifamily or multi-unit buildings like apartments and condominiums, very important for those in the urban settings and increasingly important to everyone else. That is about a basic tenet of democracy. It's about access to candidates, and it's about the candidate's ability to present themselves at the door of the voter. If the voter doesn't want to open the door, fine, but the candidates have to be able to get to that door, and they should not be stopped by an additional barrier that they can't get into the building itself. So I'm hoping that that strengthened definition is going to help us in the upcoming elections.

There are increases in the contribution limits on all levels that are allowed for in this legislation. I would prefer to see that decreased, particularly around unions and corporations. I would prefer to see campaign contributions limited to individuals, not get involved with corporations or unions at all. I think the key entity that we need to work with here is individuals, not larger groupings of bodies or legal entities, but that wasn't to be.

I was one of the people that was lobbying to have this legislation held over for a period of time to allow the public to be aware that the debate was happening and to get involved in it. I have to say that I didn't hear from a significant number of people who were keenly

interested in what was going on here, but we also have gone through the Easter period and a number of other world events that may well have distracted people.

At this point I suppose we'll have to let it go and vote on the bill and see what happens once it's all implemented. But I am glad that we were able to give some people an additional few weeks to be able to access the proposed legislation through the Internet and be able to contact some of us and comment, or at least I hope they contacted some people and commented. I heard from a few, and for me that's worth it to hear from those few people.

So I appreciate the opportunity to add my comments in Committee of the Whole debate, and I look forward to discussing the anticipated effect of the bill during third reading. Thank you very much.

[The clauses of Bill 22 agreed to]

[Title and preamble agreed to]

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

Hon. Members: Agreed.

The Chair: Opposed? Carried.

The hon. Government House Leader.

Mr. Hancock: Thank you, Mr. Chairman. I would move that the committee rise and report Bill 22.

[Motion carried]

10:40

[The Deputy Speaker in the chair]

The Deputy Speaker: The hon. Member for Leduc.

Mr. Klapstein: Thank you, Mr. Speaker. The Committee of the Whole has had under consideration and reports Bill 22. I wish to table copies of all amendments considered by the Committee of the Whole on this date for the official records of the Assembly.

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

Hon. Members: Agreed.

The Deputy Speaker: Opposed? The motion is carried.

Before I recognize the hon. Government House Leader, we did have a notice on all of our desks, but just a reminder. Tomorrow morning the young people that are with MLA for a Day are going to be in here, so if we could put all of those things either underneath or in the drawers or take them with you, that would be appreciated by all.

The hon. Government House Leader.

Mr. Hancock: Thank you, Mr. Speaker. I move that we adjourn until 1:30 p.m. tomorrow.

[Motion carried; at 10:41 p.m. the Assembly adjourned to Wednesday at 1:30 p.m.]