

Legislative Assembly of Alberta

Title: **Thursday, April 22, 2004** **1:30 p.m.**
 Date: 2004/04/22
 [The Speaker in the chair]

head: **Prayers**

The Speaker: Good afternoon.

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

Please be seated.

head: **Introduction of Visitors**

The Speaker: The hon. Member for Medicine Hat.

Mr. Renner: Thank you, Mr. Speaker. Today we're very privileged to have guests from the Pacific Northwest Economic Region visiting legislators and ministers in our Legislature Building. Just prior to coming into the House, we had a number of members who met with them over lunch, and they will be meeting with a number of ministers throughout the afternoon. It's my pleasure to introduce to you and through you to all Members of the Legislative Assembly two of the three guests who are with us today. Unfortunately, Representative Jeff Morris of the Washington State Legislature is not able to join us for question period. He will however be returning very shortly.

Mr. Speaker, I would like to introduce to you Mr. Matt Morrison, who is the executive director of PNWER, Pacific Northwest Economic Region. Jeff hails from Seattle. Joining him in your gallery is Mr. Marvin Schneider, who is with our own International and Intergovernmental Relations. He is the director for U.S./Mexico relations and has been working diligently with Mr. Morrison and Mr. Morris in facilitating their meetings throughout the day. I ask that they rise and receive the normal warm welcome of all members in the House.

head: **Introduction of Guests**

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

Mr. Hancock: Thank you, Mr. Speaker. It's my pleasure today to introduce to you and through you to members of the Assembly Catherine Ripley of my constituency of Edmonton-Whitemud. Catherine is here this afternoon to observe the estimates of the Department of Learning, which come before the House this afternoon. In addition to being a great parent of two teenage children, one of whom attends Harry Ainlay high school and the other attending Strathcona composite high school, she has for the past number of years been the chair of the Whitemud Coalition of Schools, an organization for which I have a great deal of respect and which I've had the opportunity to work with over the past number of years. Catherine and the coalition do invaluable surveys of the schools in our area and provide me with a great deal of information with which I can harass the Minister of Learning from time to time, and I take the opportunity to do, and it's great background and help to an MLA to have that kind of support. If that doesn't take up enough of her time, she's the author of children's books. I'd ask Catherine to rise and receive the traditional warm welcome of the Assembly.

The Speaker: The hon. Minister of Transportation.

Mr. Stelmach: Thank you, Mr. Speaker. It's certainly my pleasure to introduce to you and through you to members of this Assembly eight very special guests from the Bruderheim seniors' centre seated in the members' gallery, all very strong volunteers in the community of Bruderheim. They are Helen Romanchuk, Iris Penonzek, Ron Martineau, Mona Bovell, Des Bovell, Eileen Loeffelmann, and Alfred Loeffelmann. I would ask all to please rise and receive the traditional warm welcome of this Assembly.

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

Mr. Lukaszuk: Thank you, Mr. Speaker. Indeed, it's a unique occasion and a pleasure to introduce to you and through you a Polish television camera crew that is visiting us in the members' gallery, led by Mrs. Agata Konarska, and assisting her is Mrs. Madej, a member of our Edmonton Polish community. I'd like them to rise and receive the warm welcome of our Assembly.

Thank you.

The Speaker: The hon. Minister of Learning.

Dr. Oberg: Thank you very much, Mr. Speaker. It gives me great pleasure to introduce 11 people that work in my department. These people work in an area that is really a hidden jewel in my bureaucracy and in my department, and it's a hidden jewel that the hon. Leader of the Opposition and I have had discussions about before. They're from the Learning Resources Centre. I would ask Ruth Juliebo, Whitney Masson, Renice Richel, David Chowne, Lois Rogers, Bill Vandermeer, Edd Semeniuk, Donna Vincent, Cathy Daoust, Susan Graham, Tim Tornberg – I do apologize for my pronunciation of those names – to rise and receive the warm welcome of the Legislative Assembly.

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

Dr. Taft: Thank you, Mr. Speaker. It's my pleasure to rise and introduce to the Assembly and to you somebody who has driven many, many miles to come here today to watch the proceedings of the Assembly. He's seated in the public gallery. He's the principal of not one but two schools in Bow Island, Alberta. His name is Stuart Angle, and I would ask him to rise and receive the warm welcome of all MLAs.

Thank you.

Mr. Lougheed: Mr. Speaker, I'm pleased to introduce to you and to members assembled 44 students from Win Ferguson community school in Fort Saskatchewan. They're accompanied by their teachers Mr. Jeff Spady and Mrs. Joanne Simpson as well as parent helpers Mrs. Bonnie Bowes, Mr. Paul Kristensen, Mr. Ernie Hansen, Mrs. Deb Parent, and Mrs. Vicki Kippen. I would ask that they please stand and receive the traditional warm welcome of this Assembly.

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

Mrs. Jablonski: Thank you, Mr. Speaker. Today I have the honour and the pleasure of introducing to you and through you to members of this Assembly 56 bright and energetic students from the Red Deer Christian school. They are accompanied by their teachers Mrs. Carolyn Stolte and Mr. Jim Driedger and by their parent helpers Mrs. Marilyn Pleadwell, Mrs. Elaine Campbell, Mr. Alan Ten Hove, Ms Chris Thiessen, Mr. Gordon Smith, and Mrs. Sheila Van Alstyne. I would ask them all to rise and receive the warm welcome of this Assembly.

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

Mr. Mason: Thank you very much, Mr. Speaker. I'm pleased to rise today and introduce to you and through you to all members of this Assembly a number of members of the International Order of Odd Fellows and Rebekahs. I had the opportunity recently to be a judge at a public speaking contest for young people that is organized by the local chapter of the Odd Fellows and Rebekahs, and what a wonderful group of young people they were. They are going to be a credit to this House some day. Their speeches were tremendous. I'd like to extend my appreciation to the Odd Fellows and Rebekahs. The winner, I believe, gets a trip to the United Nations, and I think it was a wonderful part of the work that this group does. So I'd like Florence Ponto, Arlene Coates, Bob Whalen, and Marilyn Nichols to please rise. Also, the gracious hostess accompanying them is my new constituency assistant, Mary MacKinnon, and I'd like her to rise as well and receive the warm welcome of this Assembly.

The Speaker: The hon. Minister of Seniors.

Mr. Woloshyn: Thank you very much, Mr. Speaker. I'm very pleased to introduce to you and through you to the members of the Legislature Mr. Albert Mastromartino. He's the president of the Nissan Canada Foundation. Mr. Mastromartino joins us today following a very special event celebrating the donation of three brand new vans provided by the Nissan Canada Foundation, Ericksen Nissan, and Mills Nissan for use by the Meals on Wheels program. I'd like to commend both the Nissan Canada Foundation and Meals on Wheels for making a very real difference in the lives of seniors in terms of their health and independence. I'd ask Mr. Mastromartino, who is seated in your gallery, to rise and receive the warm welcome of the Assembly.

1:40

The Speaker: The hon. Member for Edmonton-Glenora.

Mr. Hutton: Thank you, Mr. Speaker. It's a pleasure to rise today and introduce to you and through you to members of the Assembly a constituent of mine who is here to observe the proceedings this afternoon. Lynn Odynski is an Edmonton public school board trustee. I would ask her to please rise and receive the traditional warm welcome of this Assembly.

head:

Oral Question Period

The Speaker: First Official Opposition main question. The hon. Leader of the Official Opposition.

Government Travel Expenses

Dr. Taft: Thank you, Mr. Speaker. This government's cabinet, unlike those in other provinces, exempts itself from freedom of information legislation and is strangely reluctant to release detailed information on the travel and entertainment expenses of the Premier and his ministers. There is no reason the Premier can't make public photocopies of cabinet expenses. My questions are to the Premier. Given that a photocopier can copy a thousand pages in 18 minutes for \$10, why doesn't the Premier just photocopy Executive Council's receipts and make them public?

Mr. Klein: Mr. Speaker, we are evaluating the way we handle expenses. But I would remind the hon. Leader of the Official Opposition that it's not so much the revelation of expenses – and that's not a problem for us; it's not a problem – but it's how much government spends.

If they were really concerned, they would look at their Liberal cousins in Ottawa and see the opulence, the extravagance, and the use of taxpayers' dollars to fund the swimming pool and all the trappings of 24 Sussex, to accommodate the huge living room that occupies the A320 Air bus that the Prime Minister flies around in, to accommodate the four or five Challenger jets that were bought at taxpayers' expense to cart ministers and MPs back and forth and to and fro, to accommodate the multitude of security people around the Prime Minister, to accommodate his stretch limousines, to accommodate the lavish dinners that he holds. They should be talking about that instead.

Dr. Taft: Given that other governments are able to post their cabinet ministers' expense receipts on the web for everybody in Canada to see within three months, why doesn't this government do the same?

Mr. Klein: Mr. Speaker, again, we are evaluating the way that we report our expenses, and that will be reported. We are not going to take the advice of this Liberal opposition, which, by the way, wasn't elected to be the government. We will do what is right, what is open, and what is transparent. The simple fact is that a \$27.50 jug of orange juice comes nowhere near the opulence and the extravagance of their Liberal cousins in Ottawa.

Dr. Taft: How does the Premier explain to Albertans that they aren't allowed to see these receipts when they pay the tab?

Mr. Klein: Mr. Speaker, the expenses are reported yearly to Public Accounts.

The \$10,000 that the hon. Member for Edmonton-Gold Bar spent to travel across the bridge, the \$10,000 he spent last year to travel to and fro and wherever, is reported to Public Accounts. The only difference is that they do not post their expenses or details of those expenses on the web site. Instead, he just says, "I spent \$10,000 to travel within the constituency of Edmonton-Gold Bar," which you can spit across.

The Speaker: Second Official Opposition main question.

Health Care Reforms

Dr. Taft: Thank you, Mr. Speaker. The Alberta Liberals are committed to a strong public health care system, a commitment shared by most Albertans. What Albertans do not want are taxes on the sick and health care based on what one can afford instead of what one needs. The best way to meet legitimate health care needs is through a public health care system, yet this government has said that everything is on the table when it comes to health care reform. To the Premier: will the Premier reassure Albertans here and now that this government will not introduce health care user fees?

Mr. Klein: Mr. Speaker, as the hon. Leader of the Official Opposition pointed out, everything is on the table. While it's not our intention to go out of our way to contravene the Canada Health Act, there may be some things in the reforms that could. As he pointed out, everything is indeed on the table.

Relative to the caucus discussion today our caucus was adamant that we need to take bold steps now to make sure that we have a health system that is there for us in the future. All the premiers, all the ministers of health fully agree that the system we know now is simply not sustainable, and it will bankrupt a number of provinces. Although it might not bankrupt Alberta, the costs of providing funding for health care are very severe indeed.

At caucus today the Health and Wellness minister laid out what he called a road map for reform. He spoke in very, very broad, general principles about cost pressures in areas such as drugs and new technologies. He talked about finding new and innovative ways to fund the system.

An Hon. Member: User fees.

Mr. Klein: Well, they're saying user fees. That's about a three-second sound bite, but it's good enough, and that's what they like to play on. They have no notion, no idea, nor do they have any responsibility for developing policy.

He talked about making better use of privately delivered services within the publicly funded system to reduce pressure and waiting times at hospitals. Already we have evidence that some of these procedures are very useful in relieving pressure at publicly funded hospitals. A number of procedures now are contracted by regional health authorities, and for years and years, of course, the RHAs and the government generally have been contracting services to private operators for seniors in long-term care.

Caucus members raised many questions, including questions about access and labour costs and whether the Canada Health Act needs updating and the impact of an aging population. Mr. Speaker, all of this will be brought together in a package. It will be released to the public – I assume that the Liberals will go out of their way to get it; I hope that they do, anyway – and then we'll bring that package to caucus and have a good discussion.

The Speaker: Hon. members, caucus meetings and the subject therein are not normally the subjects of question period, but if the leader of the government chooses to discuss it, that's certainly his prerogative as the leader of the government.

The Leader of the Official Opposition.

Dr. Taft: Thanks, Mr. Speaker. Will the Premier rule out health care insurance deductibles, which require patients to pay the first portion of their treatment costs before public payment kicks in?

Mr. Klein: Mr. Speaker, you're absolutely right. Normally we don't talk about what takes place in caucus, but I had the courtesy today to explain exactly to the hon. Leader of the Official Opposition what we discussed generally in caucus. I would point out that this is far more than the Liberals would ever do. They never share anything that comes out of their caucus. Nothing.

The Speaker: The hon. leader.

Dr. Taft: Thank you, Mr. Speaker. This question comes out of our caucus meeting this morning. Given that Albertans already pay taxes and they pay health care premiums, will the Premier rule out reforms that would force patients to pay even more money out of pocket based on their income?

Mr. Klein: Mr. Speaker, again, he's looking for an answer that will provide the good 15-second sound bite so that they can take that out and tout it as government policy. I'm not going to fall into that trap other than to say that we had a good discussion in caucus today.

1:50

We agreed with the minister's road map leading to reform. We agreed that a package will be brought together, that it will be released to the public, that it will be discussed by caucus. Then, following that, there will be a public consultation process. At that

time the Liberals can make all the political noise they want and spew out all the rhetoric they want. I fully expect it.

Automobile Insurance Reforms

Mr. MacDonald: This government's insurance reform has become both a tragedy and a farce for Alberta motorists and a foreign language film without subtitles for Conservatives at their private, behind-closed-door standing policy committee meeting on Tuesday. It is reported that the government's leading actor, the hon. Member for Medicine Hat, hadn't even seen the latest version of the script before last Tuesday's meeting. Albertans demand to know who was in charge of the insurance file. My first question is to the Premier. How open and transparent can Albertans expect this government to be with them when it doesn't even let the person in charge of the insurance reforms see the advance copy of the proposed changes?

Mr. Klein: Well, Mr. Speaker, I can't speak for the hon. Member for Medicine Hat and what he knew and what he did not know, but obviously the Liberals know a lot. So something must be open and transparent.

Mr. Speaker, the reason there are only seven of those people over there, or six now and soon to be five, is that they don't understand the essence of politics. They don't understand the essence of people.

People, at the end of the day, are not concerned so much about process or what happened at an SPC meeting or what didn't happen at an SPC meeting. What they are concerned about at the end of the day is their pocketbook and whether or not young good drivers will see a reduction, albeit phased in, of their premiums, whether older male drivers, who are now penalized, will see a reduction overall in their premiums, and whether those in the middle range will see their rates being comparable to other rates, that they're being treated fairly.

That is what the people are concerned about at the end of the day. These people are concerned about the nitty-gritty, picayune kinds of things that don't mean a tinker's damn to the public.

The Speaker: The hon. member.

Mr. MacDonald: Thank you. People in this province are concerned about what the insurance policies are doing to what's left in their pocketbook.

Now, if the government's own MLAs will not endorse the insurance reforms that are proposed, how does this government expect Albertans to be satisfied with this latest attempt to reform the insurance file?

Mr. Klein: Mr. Speaker, you know, the reason there are 73 of us and only five of them is that we listen to people. Do you think that this caucus is going to do something that is going to hurt consumers when we set out, relative to our insurance reforms, to protect consumers? Get real. He doesn't get it. That's why there are only five of them, and after the next election there will be even fewer.

Mr. MacDonald: Again to the Premier. Did the proposed reforms stall at the closed-door private meeting because the insurance industry wasn't there to direct the action?

Mr. Klein: Mr. Speaker, I wasn't at the SPC.

The Speaker: The leader of the third party, followed by the hon. Member for West Yellowhead.

Health Care Reforms

(continued)

Dr. Pannu: Thank you, Mr. Speaker. Today the Conservative caucus met behind closed doors to discuss this government's radical plan to charge the sick and injured for health care. Rather than release their plans to the public and allow Albertans the benefit of a full and vigorous debate on these issues, the government prefers to engage in a campaign of cover-up and misrepresentation. Not only has this government invoked the name of Tommy Douglas to defend charging the sick for health care; they incorrectly point to a number of European examples to justify their plan to turn health care over to insurance companies. My questions are to the Premier. Given that Tommy Douglas actually envisioned a health care system that covered all health services, including drugs, dental care, and other services not presently covered, isn't the Premier completely misrepresenting the Douglas vision for medicare when he uses Tommy Douglas's name to dismantle health care?

Mr. Klein: Mr. Speaker, I'm not using Tommy Douglas's name . . .

The Speaker: I really have no idea how that leads to government policy. That's a personal interpretation. If the Premier wishes to proceed with this related to government policy, please do, but we're not going to get into a debate on the historical merits of Mr. Douglas.

Mr. Klein: Thank you, Mr. Speaker. There are some ways that the words of Tommy Douglas fit into health care. Now, I'm reading from a document, albeit coffee-stained, that is entitled *Man's Destiny Cannot Be Settled in the Marketplace*. This is a speech given by Tommy Douglas. I'd be glad to share it with you. I will quote so as to not be misquoted or so as to not have any of my comments misinterpreted by the hon. member. I will quote verbatim.

In his speech on page 142 he says, "I want to say that I think there is a value in having every family and every individual make some individual contribution." Do you believe that? [interjection] Right. Do you believe that?

I think it has psychological value. I think it keeps the public aware of the cost and gives the people a sense of personal responsibility. I would say to the members of this House that even if we could finance the plan without a per capita tax, I personally would strongly advise against it. I would like to see the per capita tax so low that it is merely a nominal tax, but I think there is a psychological value in people paying something for their cards. It is something which they have bought; it entitles them to certain services. We should have the constant realization that if those services are abused and costs get out of hand, then of course the cost of the medical care is bound to go up.

Well, Mr. Speaker, that's what Tommy Douglas said, and that coincides somewhat with the policy that we're now developing. We're saying that there is a cost to health care. We're saying that, as a matter of fact, it's getting close to \$8 billion in this province. It consumes up to 50 per cent of some provincial budgets. We're saying also that unless something is done and people realize that there is a cost to health care, then the health care system as we know it will collapse. It will collapse completely, and it won't be there for these young people in the future. It won't be there for the hon. leader of the third party or his seatmate. It won't be there for any of us. It will collapse. It will either collapse or it will bankrupt the provinces and the country.

Mr. Speaker, those costs are going out of control. You cannot sustain a system with costs that rise by 7 or 8 per cent each year when the annual increase in revenues is about 3 or 4 per cent. It simply is out of whack, and it needs to be brought back into line.

The Speaker: Hon. members, we've now spent four minutes on a discussion of a philosophy of a person. It has nothing to do with this Assembly and the question period. Now, let's move on. I've got 14 members.

The hon. member. Second question.

Dr. Pannu: Thank you, Mr. Speaker. Given that Tommy Douglas's daughter has come forward and accused the Premier of being dishonest and twisting Douglas's words, will the Premier apologize to the Douglas family for using the Douglas memory for . . .

The Speaker: Okay. Hon. leader, that is not a question within the purview of the question period in this Assembly. Now, this has nothing to do with government policy, so go on to your third one, please.

Dr. Pannu: Thank you, Mr. Speaker. Given that according to the *British Medical Journal* Sweden is actually reducing the private-sector presence in health care, isn't the Premier's use of this country to justify his agenda just more false and misleading spin?

2:00

Mr. Klein: No. It's not a false and misleading spin to say that we want to look at what works in Sweden. If they are reducing their dependency on the private sector, fine. We will look at that, and we will ask the question: why are you doing this? What didn't work? What did work? I'm sure the hon. member would like to take out of that system and other systems in other jurisdictions those things that work and work well.

Mr. Speaker, I have to comment because the hon. member alluded to Mr. Douglas's daughter, but he didn't allude to his grandson, Keifer Sutherland, who spoke in Calgary but thought he was in Manitoba. So if he's going to give credence and credibility to the Sutherlands, then I think that we should mention the whole family.

The Speaker: The hon. Member for Calgary-Fort, followed by the hon. Member for Edmonton-Gold Bar.

Traffic Safety in Calgary

Mr. Cao: Thank you, Mr. Speaker. During the Easter break a tragic traffic collision in our Calgary-Fort constituency took the lives of a young man and his son and severely injured his daughter. This deadly collision involved a heavy semi truck and a compact car and took place at the intersection of the Barlow and Peigan trails just at the end of the Deerfoot Trail exit ramp. My question is to the Minister of Transportation. Given that our provincial government is responsible for the Deerfoot Trail and traffic safety in general, could the hon. minister ask the department to undertake improvements at this intersection such as putting in speed bumps?

Thank you.

Mr. Stelmach: Mr. Speaker, the department is currently in the process of commissioning a consultant to review this particular intersection. The consultant will have to work with the city of Calgary to ensure that whatever improvements we do make at that particular intersection and interchange will also phase in with the city of Calgary's road plans as well.

The Speaker: The hon. member.

Mr. Cao: Thank you. My first supplemental question is to the same minister. Could the minister ask his department to review the accident exit situation from the Peigan Trail into the Deerfoot Trail interchange and recommend improvements?

Mr. Stelmach: Mr. Speaker, yes; we are. Safety, of course, is a top priority in terms of building our roads and road improvement. Here again on this particular section we're also in the process of hiring a consultant as well. There will be considerable activity on the Deerfoot Trail over the next three years. In fact, it'll be one construction zone from one end to the other. Unfortunately, for the people in Calgary it will be interrupted traffic, but it all is going to lead to a much safer freeway through that city.

The Speaker: The hon. member.

Mr. Cao: Thank you. My last supplemental question is to the same minister. Given that the tragedy occurred in that specific intersection, could the minister tell the Assembly if anything else is being done to improve the safety conditions?

Mr. Stelmach: Mr. Speaker, it's a good question, but there's only so much that can be done in terms of improvements to a roadway. We know that adding an interchange where the traffic warrants it will reduce incidents by 47 per cent. We know that widening a highway when the traffic warrants it will reduce accidents by about 50 per cent. But at the end of the day, when we look at all collisions and all accidents in this province, 90 per cent of them are driver error.

So, yes, we can decrease a number of these incidents with improved roads and road design, but we also need the co-operation of all Albertans to ensure that they handle themselves appropriately when they're at the steering wheel and pay attention and try and reduce the significant percentage, 90 per cent driver error, to something that perhaps is a little more acceptable. But at the end of the day it's still the driver behind the wheel.

Automobile Insurance Reforms (continued)

Mr. MacDonald: The Official Opposition has learned that the regulation regarding caps on minor injuries reads like this: the \$4,000 cap will cover all sprains and strains or whiplash-associated disorders that do not result in serious impairment; serious impairment is defined as substantial impairment to physical or cognitive functions that result in substantial inability to perform employment, training or educational or daily living activities; further, the impairment must be continuous with no reasonable expectation of substantial improvement. My first question is to the Premier. Why is this government forcing an unwanted \$4,000 cap on pain and suffering on Albertans who are involved in traffic accidents when the government's own poll recently indicated that only 5 per cent of Albertans support the cap?

Mr. Klein: Mr. Speaker, I wasn't at the SPC meeting, and this will have to work its way through. Policy is discussed. The way it works – and you will never know because you will never be in government – here in our system is thus. An item goes usually from the Agenda and Priorities Committee, or it can be initiated through any other committee or any source, to a standing policy committee, where the policy merits of a proposal are discussed. If there is a recommendation, either negative or positive, or no recommendation, the matter is then brought to cabinet, and cabinet either approves it or amends it or rejects it. If the matter is something that is . . . [interjection] Well, it's very important because he has to understand the process.

Then if the matter is of broad, general importance – first of all, all matters are reported to caucus. Some matters are brought to caucus without a recommendation or even with a recommendation to seek

caucus approval. [interjection] No. I'm explaining the process. I know that you don't have a process because you can't. You're not the government. Therefore, you can't have a process, but we do. We are charged by the people of this province to make government policy, to make policy on behalf of the people.

So where we are right now is at the standing policy committee stage. Whatever was decided at that committee has not come to cabinet, has not gone to caucus, so we are not there yet. We are not there yet. Now, if the hon. member has something constructive, other than nationalizing or socializing our car insurance system, as the Liberals would like done, other than that, if he has any bright suggestions, any constructive criticism, we'd be glad to hear it.

Mr. MacDonald: Again to the Premier: given that this cap is a huge financial break for the insurance industry, which has recently posted record windfall profits, how much money will the \$4,000 cap save the insurance industry at the expense of innocent accident victims in this province?

Mr. Klein: Mr. Speaker, could I pose a question to the hon. member? Is he deaf or just stupid? I explained the process. He's talking as if policy had already been developed.

Now, I don't know what was discussed. I will see the reports, obviously, before they come to cabinet. [interjection] Well, he doesn't want to understand. He doesn't want to understand. He doesn't want to think and contemplate what government procedures are, and that is frustrating because what he is doing is talking about something that presumably was in a report, and he's talking in the context of that being government policy. Well, nothing is policy yet. Nothing.

The Speaker: Actually, to answer the question from the Premier, the Premier cannot ask a question in the question period. That's only reserved for private members.

Speaker's Ruling **Parliamentary Language**

The Speaker: The question "Is the member deaf or is the member stupid?" is probably a most inappropriate question. One might suggest that the member might be handicapped, and the other one might suggest something else. So I would really ask the Premier to withdraw that statement.

Mr. Klein: I'm sorry, Mr. Speaker. I'm sorry for calling the member stupid and deaf.

The Speaker: The hon. member.

2:10 Automobile Insurance Reforms (continued)

Mr. MacDonald: Thank you, Mr. Speaker. Again to the Premier: because we know that the voters of this province aren't stupid and they're not deaf either, how many innocent motor vehicle accident victims in Alberta will have their legal rights limited by this government's \$4,000 cap?

Mr. Klein: Well, Mr. Speaker, on the point that was raised by the hon. member in his preamble, I agree with him a hundred per cent. That's why there are 73 of us and only five of them.

Mr. Speaker, again, I don't want to conduct a clinic in politics, but all we're doing relative to car insurance reform is responding to the people and trying to create a system that is fair for young male

drivers between 16 and 25, who are now penalized; to make sure that those in the mid-range are treated fairly and pay comparable rates to those in socialist provinces; that those who are penalized because of older age are treated fairly; and that victims, people who are injured in accidents, are fairly compensated, not overcompensated, not undercompensated but fairly compensated. There can't be anything wrong with that.

Now, if the hon. member disagrees with that policy and that direction, then stand up and tell Albertans that he disagrees with a policy that wants to achieve fairness for young male drivers, good drivers, that creates fairness for those in the mid-range, that creates fairness for older good male drivers, that fairly compensates those injured in accidents. If he is opposed to those policies, please stand up and say so. Say so, so that all the media and all the public of this province can hear this hon. member, because we want to know where he stands on this issue.

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

4-H Club Beef Sales

Mr. Danyluk: Thank you very much, Mr. Speaker. In May and June hundreds of cattle will be sold by 4-H club members across this province. Many of these animals need to be slaughtered shortly after they are purchased, but the current regulations state that the cattle must be owned for 30 days before mobile butchers can slaughter them. This requirement may deter some businesses and individuals from purchasing 4-H steers because they won't be able to slaughter them right away. My question is to the Minister of Agriculture, Food and Rural Development. What is the minister doing to address these concerns for 4-H members?

Mrs. McClellan: Well, Mr. Speaker, a number of members, particularly rural members, have raised this issue, as have some of our 4-H beef clubs that are looking at their upcoming sales.

The regulation that the hon. member is referring to is the meat inspection regulation. It is designed to ensure that meat is produced, slaughtered, and sold in a very safe manner. When we initially consulted on these regulations, we found that individuals that were purchasing animals might not necessarily know the history or the health of the animals and hence the condition that you had to hold it for 30 days. However, understanding that there are people who may want to purchase an animal from a neighbour for their own use, that we have many clubs that are looking at their sales in June, we've asked our department to review this regulation and try to accommodate these special circumstances while still addressing the food safety concerns.

There are a variety of ways that we could do that, and we're in the process right now, and I think we are going to be able to make this work.

The Speaker: The hon. member.

Mr. Danyluk: Thank you very much, Mr. Speaker. To the same minister: will the proposed regulatory amendments address the concerns that the mobile butchers have, I guess, in their desire to provide a competitive choice for 4-H animal purchasers?

Mrs. McClellan: Well, Mr. Speaker, there are 52 provincial abattoirs in the province that are inspected and, I must say, operate at a very high standard. We also have a mobile slaughter industry in this province that operates very well. The change to this regulation

would allow, particularly in communities where there isn't an abattoir, the opportunity for the mobile slaughterer to accommodate those animals.

Now, any one of us might purchase a 4-H animal. My colleague the minister of health might purchase one and would not have any place to accommodate that animal for 30 days save on the deck at his office, I suppose. It might be a little large. So, Mr. Speaker, common sense has to prevail in this, and that is the approach we're taking. It is my expectation that we will conclude this review and have this amended, dealt with in a way that accommodates those special circumstances and also preserves food safety.

The Speaker: The hon. member.

Mr. Danyluk: Thank you very much, Mr. Speaker. I want to thank the minister for acknowledging the concerns that are out there with 4-H members.

My second supplemental is again to the minister of agriculture. Can she give us any indication when the regulations will be changed, and will they be changed in time for the June 4-H sales?

Mrs. McClellan: Well, Mr. Speaker, the very simplest and probably the best way to address this would be to remove the 30-day requirement. That would not be difficult to change in the regulation.

Mr. Speaker, I think this is a reminder of how far reaching the BSE crisis has been in this province. We have a number of young 4-H people who have worked very hard raising their animals and are about to sell them and, of course, some limited market. I want to commend the community organizations that have addressed this, such as the Medicine Hat chamber of commerce, who have done fundraisers by selling promotional beef T-shirts, and those dollars are going to assist in the purchase of 4-H calves. That is one example of what is happening across this province. The people in this province recognize the fine work of the 4-H movement and also recognize that we have the strongest 4-H program in Canada, and we want to maintain it.

The Speaker: The hon. Member for Edmonton-Mill Woods, followed by the hon. Member for Edmonton-Rutherford.

Grade 12 Diploma Exams

Dr. Massey: Thank you, Mr. Speaker. Last November the Minister of Learning supported students writing parts A and B of the grade 12 diploma exams a week apart in the face of criticism from parents, students, and teachers. Now the diploma exam schedule for 2005 on the Alberta Learning web site shows a return to holding parts A and B on the same day. My questions are to the Minister of Learning. Is the web site correct?

Dr. Oberg: Yes.

Dr. Massey: Okay. Again, then, Mr. Speaker, to this same minister: given that Alberta Learning's web site states that students' marks were higher when the exams were staggered, what is the rationale for reverting to the old schedule?

Dr. Oberg: Mr. Speaker, it is not exactly the old schedule. We still have the exams split in two parts. What we found is the concentration of the students first of all on multiple choice so that the students will specifically go on multiple choice. The second part of the exam will be the written part of the exam, where the students concentrate specifically on the written part.

What we postulate happened and in talking to students after we did split apart the exams about how they actually wrote the exams was that the majority of students went through and wrote all the multiple choice answers. Then if there was time and if there was the ability to do it, they concentrated on the written answers. What we found is that those students who were doing extremely well had the capability to go through and do all of it. Those students that were borderline did the multiple choice and then, realistically, did not pay full attention to the written. When we went and split the exams, what we found was that by concentrating specifically on the multiple choice and then concentrating specifically on the written component, the students' exam marks went up.

2:20

One of the criticisms of the past schedule was that there was too far a split between social and social, for example. I will say that we have always said that we will compress it as much as we can. What we have now done is put social A and social B on the same day. The next day we will have science A and science B. Biology A and biology B. Those types of things. We're confident that we can get it marked by the end of the year. We're confident that students will do better, and, Mr. Speaker, this is just another example of government going out and talking to the people involved and coming out with a solution that's going to give answers to everyone.

Dr. Massey: Again, then, to the same minister: if that's the case, why didn't you talk to people in the first place?

Dr. Oberg: Mr. Speaker, first of all, there were several issues that were out there. We did not know that we could get the exams marked. One of the issues was, as the hon. member knows, that following the strikes, all the markers of the exams were pulled off, and we had an extremely difficult time marking the exams. We signed an agreement with the Alberta Teachers' Association that guaranteed that the teachers would mark the exams for one year only, so we did not have the assurance that we have today that teachers would actually mark the exams. What we found out – and I will say to the hon. member that this was purely by chance – is that the students did considerably better by splitting the exams, as I already stated. So we are now working on refining the schedule as much as we can to compress it as tightly as we can.

The only very interesting component about this is that one of our concerns was actually getting the written tests back to us. What we did – and I think the Legislative Assembly might find this interesting – is that we put a \$5 fine out there if they didn't get the exams back to us in time. Mr. Speaker, with the last set of exams every exam in Alberta was returned on time, which allowed us to continue to mark them on time. So with all these refinements we've been able to refine the exam schedule, and I think we have something here now that's going to prove to be excellent for all students in Alberta.

Workplace Fatalities

Mr. McClelland: Mr. Speaker, Albertans don't leave home thinking they may be killed on the job. Regrettably, 127 Albertans lost their lives at the workplace last year. Next Wednesday, April 28, is the National Day of Mourning for those killed in the workplace. My question is to the Minister of Human Resources and Employment. How will the government honour those men and women who died on the job?

The Speaker: The hon. minister.

Mr. Dunford: Well, thank you, Mr. Speaker, and thanks to the hon.

member for the question. Yes, in fact, Wednesday, April 28, will mark the day of mourning for people that were killed on the job site, and we do have plans to commemorate these poor, unfortunate folks. Probably the most visible commemoration will be the fact that all flags at provincial buildings will fly at half-mast on that day in remembrance of those workers that didn't make it home.

We'll also be making requests of you, Mr. Speaker, for a couple of things. Right now I would hope to plan a ministerial statement, but also we would like to ask you if on that particular day you would see fit to lead us in 127 seconds of silence.

We want to say, Mr. Speaker, that these were needless deaths. This is something that we're working hard to try to overcome, but the fact that they have fallen, we must remember them.

Mr. McClelland: My supplementary is to the same minister. What is the government doing to ensure that workplace fatalities are not just seen as a cost of doing business?

Mr. Dunford: Well, to pick up on the question if I can, they are a tremendous cost to business, and we are trying as best we can to educate employers about the actual trauma and stress that family and friends and fellow employees must go through when there is such a fatality, you know, all of the people that surround that employee. This is a very serious situation when we talk about 127 deaths. We of course will recognize the following week National Occupational Safety and Health Week and try to do our best in that situation. Again, this is something that calls for constant enforcement and reinforcement on the tragedy that takes place inside our province much too often.

If you have been following the types of advertising that we've been trying to do around this situation, we lose a worker about every third day, and every three and a half minutes there's an incident that causes injury that prevents a worker from reporting at their next shift. I empathize with what the Minister of Transportation talked about earlier, the fact that of these 127 deaths the overwhelming majority are happening on the roadways and the highways within this province. Mr. Speaker, as a government we are going to have to do something sooner or later about this epidemic.

Highway 3

Mr. Bonner: Mr. Speaker, Coleman area residents are still in shock over this government's decision to suddenly conduct another functional planning study on the highway 3 route when this government has already approved a southern route. To the Minister of Transportation: given that considerable development has taken place to the north of Coleman and that the citizens paid high prices for acreages with the knowledge that the highway was going south, what liability is this government prepared to accept if the north route is approved?

Mr. Stelmach: A couple of things, Mr. Speaker. First of all, these questions came up in the House before, and I mentioned at that time that the department is conducting through the work of a consultant various open houses. No decisions have been made, and as a result I'm not going to speculate on what is tied up in some sort of liability in terms of ownership of property.

Mr. Bonner: Mr. Speaker, to the same minister: how much is this new study costing Alberta taxpayers?

Mr. Stelmach: I don't know, but I'll present that to the House.

Mr. Bonner: To the same minister: when does the minister expect that a final decision on the route will be made?

Mr. Stelmach: Mr. Speaker, I believe that when I get the exact amount of this particular contract, the cost of the consultant, I'll be able to advise the member of a date as well, when I get that information, in terms of what the expected completion is of this particular review and open house.

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

Calgary Courthouse

Mr. Mason: Thank you very much, Mr. Speaker. Last October the Conservative government selected a private consortium to finance and build a new court centre in Calgary based on a design that the company itself had come up with. Six months later the cost of this flagship P3 project has ballooned to half a billion dollars, an overrun of 67 per cent, causing the project to be put on hold. My question is to the Minister of Infrastructure. What exactly caused this increase in cost for the Calgary courthouse project?

Mr. Lund: Mr. Speaker, once again, as our Premier has been mentioning, the opposition loves to try to find a 15-second bite that is going to be great in the media. The fact is that the number that the leader of the Liberal opposition came out with yesterday, the \$170 million, was for the Provincial Court, not anything like the project that we embarked on in the city of Calgary with the consolidation of all three courts. So to start comparing bananas and apples and oranges is the typical thing that they're up to.

2:30

The fact is that the number that they're now working with was not the construction cost alone, but it was all of the cost. Unfortunately, when we build something with our own money, we don't include the cost of the money. There's a cost to money, and we don't include it. But the number that they've been throwing around is a number that is in the ballpark if you take the whole cost and you bring it back to present-day value. Now, I know they wouldn't understand that, but that's what it is. It's unfortunate that they keep bandying around numbers that are not true capital costs.

Mr. Mason: I know what net present value is, Mr. Speaker. I want to indicate that I gave the minister a chance just to answer the question and he chose not to do it, so I'm going to ask him whether or not the P3 developer lowballed the costs to win the bid only to reveal the true costs once it had been selected to build the project.

Mr. Lund: Mr. Speaker, that's terribly unfortunate that the member would call into question the integrity of these great people that put all of the time and effort and money into coming forward with a proposal.

The fact is that we estimated internally the cost of a project with over a million square feet. This is a huge project. Actually, there were three replies to the requests for proposals. Two of them came in below our estimated cost. Then we negotiated with the final one, and we brought the cost down even more, Mr. Speaker. To make sure that we were being accurate, we put out a dummy bid, and the dummy bid came in higher than our estimate. So you got the dummy bid high, we got ours above, and then we've got the actual one down below.

So, Mr. Speaker, it's terribly unfortunate that they would make those kinds of comments about people that are in business and that are very, very conscious of what they're doing.

The Speaker: The hon. member.

Mr. Mason: Thank you very much, Mr. Speaker. Well, it's too bad the dummy bid didn't win.

Why are Calgarians being forced to accept a scaled-back court facility not adequate to meet future needs just because the government is stubbornly refusing to accept that P3s have been proven almost everywhere they've been tried to cost more and deliver less?

Mr. Lund: Mr. Speaker, he said, "Too bad the dummy bid didn't win." Well, the fact that it didn't win is because it was the highest of the three. That's why it didn't win.

It's very interesting that just yesterday the member was standing up and saying: cancel it; don't build it; just don't build anything. Now today he's saying that we should be concerned about the fact that there isn't one being built.

Mr. Speaker, I think that there are actually two departments that are involved in this, and as it relates to the necessity to build in Calgary, I'll have the Attorney General supplement my answer.

The Speaker: The Minister of Justice and Attorney General.

Mr. Hancock: Well, thank you, Mr. Speaker. This government is on record as indicating that we need in Calgary to build a facility which will adequately house the Provincial Court, the Court of Queen's Bench, and the Court of Appeal. We have succeeded; we have a facility which adequately houses the Court of Appeal. Unfortunately, the Provincial Court is scattered around the downtown in inadequate facilities, and we need to deal with that. So we've moved ahead with an appropriate facility to accommodate both the Court of Queen's Bench and the Provincial Court.

We're still moving ahead on that project, but as the Minister of Infrastructure has indicated, we are looking at the most appropriate way to build it and a cost-effective way to build an appropriate facility. We will build an appropriate facility. We will house the courts in an appropriate manner with a good, long-term view with respect to the type of accommodation that they need in order to serve the citizens of Calgary and region. We're committed to doing that; nothing has changed on that. But the government does look, as a government prudently should, at all the different aspects and all the different ways of building and financing and choose the best way in the interests of the people of Alberta.

The Speaker: Hon. members, on this day in the first part of the 20th century the hon. Member for Little Bow entered the world, so we wish him a happy birthday today.

Before I call on the first member to participate in Members' Statements, might we revert briefly to Introduction of Guests?

[Unanimous consent granted]

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

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

Ms DeLong: Thank you very much, Mr. Speaker. It's my pleasure to introduce some guests to you. I'm not sure whether they are still in the House or not. They are from the constituency of Wainwright. It's a group called the Alliance Fun for All social club. It's a seniors' club. There are 10 of them. There are three names that I have from them: Norman Johnston, Emma Bullee, and Mary Wold. So if they are in the House, could they please stand to receive our greetings.

head: **Members' Statements**

Cochrane Branches and Banks Environmental Foundation

Mrs. Tarchuk: Mr. Speaker, today I would like to recognize the community of Cochrane's Branches and Banks foundation. In 1996 when the federal and provincial governments asked municipalities to begin working towards sustainability, the town of Cochrane gladly took on the challenge. As a result, among other programs the town developed Cochrane Branches and Banks foundation, which hosts a signature event that promotes environmental stewardship and community spirit.

The foundation, which has evolved into a registered nonprofit society supported by the town of Cochrane, organizes an annual tree plant and waterway cleanup in Cochrane every spring. Since the event's inception over 2,400 volunteers have planted approximately 20,000 trees. This family event grows in popularity every year and teaches young Albertans the benefits of volunteering and protecting the environment.

In addition, the Cochrane Branches and Banks foundation was selected as the 2003 community group emerald award winner. This is a very prestigious award recognizing environmental excellence in the province of Alberta and an important recognition of the outstanding efforts of this community, its volunteers, and sponsors.

Mr. Speaker, a core group of volunteers has dedicated their time and energy to organizing this event over the years. I would like to honour those volunteers as well as the town of Cochrane for exemplary community spirit and dedication to environmental initiatives.

I ask all members of the Legislature and the people of this great province to recognize the following community and environmental advocates: Tim Giese of the Cochrane Environmental Action Committee; volunteer co-ordinators Keith and Evelyn Milne, Brent Schmidt, Andy Degraw, and Terry Robertson; Garry Murdoch of Aquila Networks Canada; Rob Olenick of Spray Lakes Sawmills; volunteer residents Alice Laine and Joan Mansfield; Rebecca McElhoes of NOVA/TransCanada Pipelines; and Jill Knaus and Al Weidman from the Bow Meadows Community Association.

Please join me in congratulating the town of Cochrane, the Cochrane Branches and Banks foundation, and the many volunteers involved with this program.

Thank you, Mr. Speaker.

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

Humanities and Social Sciences Research Funding

Dr. Massey: Thank you, Mr. Speaker. Imagine a world where only thoughts and ideas that will result in a tangible outcome are pursued because they are the only ones viewed to have any merit. This is a frightening prospect that is sadly becoming more and more a reality in our country, where the federal government funded 2,000 research chairs in the year 2000 but only 20 per cent of those were allocated to the humanities. This year's federal budget also seems to emphasize hard results over ideas.

While humanities and social sciences, which include disciplines like psychology, history, education, law, economics, and literature, continue to attract more than half of Canada's university students, a rising percentage of government money is focused on hard sciences that show results in practical terms. This erosion of the value placed on the exploration of humanities and social sciences is causing concern on university campuses and is a major reason for the proposed revamp of the federal research granting agency, the Social Sciences and Humanities Research Council.

Unfortunately, the council's recent consultation framework on its transformation caused alarm when it suggested that the council's core values must expand to include interactive engagement and maximum knowledge impact. This would not promote the development of ideas but, rather, force people involved in the humanities and social sciences to continually justify the practical application of their work.

A university should be a place where ideas can be explored without always looking at the bottom line. Measuring the impact of a project before it has been undertaken could discourage people from completing projects that prove to be valuable to our society.

A decade ago a humanist book on the history of gay marriage was criticized and labelled as a waste of research money, but now it seems only to be ahead of its time. The value of research into the humanities and social sciences is everywhere, shaping thoughts and policy, challenging opinions, and informing casual conversation. We err badly when the only view we foster is an economic view of humans.

Thank you, Mr. Speaker.

The Speaker: The hon. Member for West Yellowhead.

2:40 Year of the Coal Miner

Mr. Strang: Thank you very much, Mr. Speaker. I rise today to recognize the Year of the Coal Miner and the contribution that this industry and its people make to our province.

Since the last decades of the 1800s coal has been the foundation of many communities and individual lives throughout Alberta, including in the West Yellowhead constituency. Coal mining was first developed in southern Alberta, where it was often quarried by pick and shovel and hauled out in wooden crates on skids or by horses. During that time two miners, of course, worked together and produced on average five or six tons of coal a day.

Today coal is a high-tech industry that extracts resources in a more environmentally friendly manner. When someone mentions coal mining, the image of an underground miner, that would normally come to mind, no longer holds true. Open-pit or strip mines now dot the landscape where electric shovels, trucks, and excavators work to mine the coal. All told, between 30 million and 35 million tonnes of coal is produced in Alberta every year by highly skilled workers.

The resource goes on to help provide electricity for homes as well as other uses. For instance, gases, oils, and tar extracted from coal can be used in the manufacture of products ranging from gasoline and perfumes to mothballs and baking powder. From Bankhead and the Crowsnest Pass to Hinton and Grande Cache coal has been instrumental in the development of Alberta, providing jobs to our citizens.

I would like to take this opportunity to congratulate and thank all Albertans involved in coal mining this Year of the Coal Miner.

Thank you very much, Mr. Speaker.

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

Small Business

Dr. Pannu: Thank you, Mr. Speaker. This government often claims to be a friend to business in Alberta. This is only partly true. The government policies favour its friends and large corporations and the highly profitable oil companies and other operators in the energy sector. Small businesses, on the other hand, have been abandoned.

In fact, Mr. Speaker, I've heard complaints from small-business owners across the province and throughout my constituency. Problems began when electricity deregulation gave business owners

sky-high electricity bills. Many business owners have been forced to choose between hiring staff and turning on the lights. Some had no choice but to close their doors altogether.

Further, this government has allowed rising insurance premiums to increase the squeeze on small business. While big insurance companies announce record profits, many small-business owners struggle with massive increases to property, business, and auto insurance costs. In fact, a recent study by the Canadian Federation of Independent Business, which was tabled by my colleague from Edmonton-Highlands, shows that over half of Alberta businesses had experienced a 20 per cent increase in property insurance and nearly 70 per cent felt that high insurance costs are a serious problem.

Of course, there are the ever-present health care premiums. This regressive health tax gives nothing to small businesses except administrative headaches. Premiums also make it harder to compete with larger corporations who can offer to pay premiums as part of employee remuneration. Many small-business owners cannot afford to provide those benefits for their employees and are therefore at risk of losing them. For years average Alberta families have struggled with user fees, health premiums, and hidden costs, and small businesses now face a similar battle.

Mr. Speaker, small-business owners must overcome enough challenges just to stay afloat. It's time the government stopped burdening small businesses with unnecessary and entirely unavoidable additional costs. It's time small businesses got a better deal.

Thank you, Mr. Speaker.

The Speaker: Hon. members, might we revert briefly to Introduction of Guests?

[Unanimous consent granted]

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

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

Mr. Lukaszuk: Thank you, Mr. Speaker. Visiting us today in the members' gallery is a group of 60 Vietnamese seniors who have decided to build a seniors' home in my riding of Edmonton-Castle Downs, and for that I would like to thank them. They're today led by Reverend Thich Thiên Tam, four Buddhist nuns, and also Vinh Hang, who is showing them the Legislature and the precincts.

I'm particularly excited, Mr. Speaker, because chances are that the Member for Calgary-Fort will be my constituent one day. I'd ask them to rise and receive the warm welcome of this Assembly.

Thank you.

head: **Presenting Petitions**

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

Mr. Lukaszuk: Thank you, Mr. Speaker. I would like to present a petition signed by 161 emergency medical service workers in the city of Calgary who petition the Legislative Assembly to "support Bill 204, the Blood Samples Act, which will provide more security and peace of mind for people working in occupations who have a higher risk of exchanging bodily fluids with a potential carrier of a blood borne disease."

Thank you, Mr. Speaker.

head: **Notices of Motions**

The Speaker: The hon. Deputy Government House Leader.

Mr. Zwozdesky: Thank you, Mr. Speaker. I rise pursuant to Standing Order 34(2)(a) to give notice that on Monday I will move that written questions appearing on the Order Paper do stand and retain their places with the exception of written questions 48, 66, 68, 69, 71, 75, 76, 77, 78, and 79.

I'm also giving notice that on Monday I'll move that motions for returns appearing on the Order Paper do stand and retain their places with the exception of motions for returns 24 through 31, 34 through 42, 44 through 49, 52, 53, 55 through 62, 64, 66, 69 through 73, 75, 78 through 83, 88 through 105, 108 through 123, 128, 134 through 143, 146 through 160, 162, 164 through 168, 174 through 180, 183 through 189, 197, 200 through 205.

Thank you.

head: **Tabling Returns and Reports**

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

Dr. Pannu: Thank you, Mr. Speaker. I've got three documents to table today. The first one is an article from the *British Medical Journal* from February 28, 2004. This article indicates that the government of Sweden has decided to ban the development of private, for-profit hospitals and take other additional steps to stop the development of a two-tier health care system in their country.

The second document, Mr. Speaker, is a report from the CBC headlined "Douglas accuses Klein of twisting her father's words." This report cites Shirley Douglas's claim that the Premier is being dishonest about the origins of medicare and that her father "stressed that medicare should be available for all, regardless of income."

The third document, Mr. Speaker, is a backgrounder entitled *Myth Buster: P3 Hospitals – A Closer Look*. The backgrounder was published by the Ontario Health Coalition and demonstrates the consistent failure of P3s in building hospitals.

Thank you, Mr. Speaker.

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

Mr. MacDonald: Thank you, Mr. Speaker. I have two tablings this afternoon. The first one is the Canadian property and casualty premiums and profits key financial data for 123 insurers provided by A.M. Best. It's a comprehensive look, and it is from Thompson's World Insurance News. It's for the benefit of all members of this Assembly.

The second is a completion of a tabling that I did yesterday. I apologize to the Speaker, to the table officers, and to members. I inadvertently did not table all the relevant documents.

Thank you.

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

Ms Blakeman: Thank you, Mr. Speaker. I'd like to table five copies of a letter from myself to the Minister of Transportation. With the onset of the summer construction season I'm urging the minister to offer immediate protection for emergency workers and construction workers on the highway with a change to the regulations under the Traffic Safety Act.

Thank you.

head: **Tablings to the Clerk**

The Clerk: I wish to advise the House that the following document was deposited with the office of the Clerk on behalf of the hon. Mr. Mar, Minister of Health and Wellness, pursuant to the Health Professions Act: the College of Physical Therapists of Alberta 2002-2003 annual report.

head: **Projected Government Business**

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

Ms Blakeman: Thank you, Mr. Speaker. I would like to ask the Deputy Government House Leader under Standing Order 7(5) to please share the projected government business for the week of April 26 to April 29, 2004.

Thank you.

2:50

The Speaker: The hon. Deputy Government House Leader.

Mr. Zwozdesky: Thank you, Mr. Speaker. In response I'm pleased to advise the member and all members here that on Monday afternoon we'll be dealing with private members' business, written questions and motions for returns, followed by public bills and orders other than government bills and orders. In the evening we'll deal with motions other than government motions, and at 9 p.m. or thereabouts we'll be going to Committee of Supply for the Department of Innovation and Science.

On Tuesday afternoon under Government Bills and Orders and under Committee of Supply we will deal with the Department of the Solicitor General, followed by second reading of Bill 28, the Feeder Associations Guarantee Amendment Act, 2004, and Bill 29, the Agriculture Financial Services Amendment Act, 2004, and otherwise as per the Order Paper. In the evening under Government Bills and Orders and under Committee of Supply we will be dealing with the Ministry of Municipal Affairs and, if required, second reading of bills 28 and 29 and otherwise as per the Order Paper.

On Wednesday afternoon under Government Bills and Orders and under Committee of Supply we will deal with the Ministry of Health and Wellness and third reading of Bill 22, the Election Statutes Amendment Act, 2004, and otherwise as per the Order Paper. In the evening under Government Bills and Orders we'll deal with the Committee of Supply for the Department of Justice and Attorney General and Committee of the Whole for Bill 25, the School Amendment Act, 2004, and Bill 26, the Teaching Profession Amendment Act, 2004, and third reading if necessary of the Election Statutes Amendment Act, 2004, and otherwise as per the Order Paper.

On Thursday afternoon under Government Bills and Orders and under Committee of Supply we will deal with the Department of Energy and if necessary third reading of Bill 22 and otherwise as per the Order Paper.

Thank you.

The Speaker: Just a point of clarification, hon. members, before we go on. Hon. Member for Edmonton-Gold Bar, there was an exchange during the question period today. Your colleague the hon. Member for Edmonton-Centre moved. I think we dealt with the matter. There's no point of order arising. Is that correct?

Mr. MacDonald: No. There's no point of order. No. Certainly not.

The Speaker: Okay.

head: **Government Motions**

The Speaker: The hon. Deputy Government House Leader.

**Select Special Health Information Act
Review Committee**

16. Mr. Zwozdesky moved on behalf of Mr. Mar:

Be it resolved that

- (1) A Select Special Health Information Act Review Committee of the Legislative Assembly of Alberta be appointed to review the Health Information Act as provided in section 109(1) of that act consisting of the following members, namely Mr. Jacobs, chair; Ms Kryczka, deputy chair; Ms Blakeman; Mr. Broda; Mr. Goudreau; Mr. Lougheed; Mr. Lukaszuk; Mr. MacDonald; Dr. Pannu; and Mr. Snelgrove.
- (2) The chair and members of the committee shall be paid in accordance with the schedule of category A committees provided in the most recent Members' Services Committee allowances order.
- (3) Reasonable disbursements by the committee for advertising, staff assistance, equipment and supplies, rent, travel, and other expenditures necessary for the effective conduct of its responsibilities shall be paid subject to the approval of the chair.
- (4) In carrying out its duties, the committee may travel throughout Alberta and undertake a process of consultation with all interested Albertans.
- (5) In carrying out its responsibilities, the committee may with the concurrence of the head of the department utilize the services of the public service employed in that department or the staff employed by the Assembly or the office of the Information and Privacy Commissioner.
- (6) The committee may without leave of the Assembly sit during a period when the Assembly is adjourned.
- (7) The committee must submit its report, including any proposed amendments to the act, within one year after commencing its review.
- (8) When its work has been completed, the committee must report to the Assembly if it is then sitting. During a period when the Assembly is adjourned, the committee may release its report by depositing a copy with the Clerk and forwarding a copy to each member of the Assembly.

Mr. Zwozdesky: This is of course the legislation that safeguards the health information of individual Albertans yet allows health professionals the access they need to make the most effective care decisions. The act was proclaimed on April 25, 2001. Section 109 of the legislation requires a special committee of this Legislative Assembly to conduct a comprehensive review of this act within three years of its coming into force.

Also, as required in the act, this committee has one year to submit its report including any recommended amendments.

Thank you, Mr. Speaker.

The Speaker: It's a debatable motion.

The question should be called then?

[Motion carried]

head: **Committee of Supply**

[Mr. Tannas in the chair]

The Chair: Good afternoon. I'd like to now call the Committee of Supply to order.

head: **Main Estimates 2004-05**

Learning

The Chair: I'll call on the hon. minister for his opening comments.

Dr. Oberg: Thank you very much, Mr. Chairman. First of all, I would like to thank the House for supporting my ministry's budget in the past years. We've made excellence in learning a priority, and quite frankly the world is taking notice. Countries around the world seek our advice in improving their own educational systems as they strive to attain the kinds of results achieved by Alberta students. Thank you very much to everyone in the Assembly for helping to make this happen.

Learning's business plan starts on page 333 of the Alberta 2004 budget document *On Route, On Course*. The business plan highlights several strategic priorities for Alberta Learning over the next three years. I would like to draw your attention to a few of these priorities.

Alberta Learning is developing implementation plans for government-approved recommendations made by Alberta's Commission on Learning. The commission provided some excellent recommendations that will help enhance Alberta's learning system well into the future. Government is supporting 86 of the 95 recommendations, including class size guidelines, greater emphasis on physical activity and wellness, fine arts and second-language learning, and increased focus on supporting aboriginal students and students with special needs. There still are some recommendations that are yet to be implemented, Mr. Speaker.

The recommendations to provide an additional \$60 million to fund an identified shortfall in the system and to implement the renewed funding framework have already been acted on. Work with stakeholders to develop and execute implementation plans to address other recommendations has already begun, and more will be done over the next five years.

Three recommendations remain under review: establishing full-time and junior kindergarten programs and implementing a new collective bargaining process for teachers.

Another key priority this year is to increase access to adult learning opportunities. The '04-07 business plan incorporates strategies to ensure that Albertans are ready to be successful in the lifelong learning system. We want to ensure that transition points into, within, and out of the system are appropriately bridged for all learners.

Other key priorities for Learning include improving First Nations, Métis, and Inuit learner successes, working effectively with partners and stakeholders, and strengthening intergovernmental relations as well as enhancing Alberta learner and stakeholder opportunities beyond the province's borders. These priorities are aligned with and support Learning's three goals: number one, "high quality learning opportunities for all;" number two, "excellence in learner outcomes;" and number three, a "highly responsive and responsible ministry."

As we continue, you will see how Learning's identified priorities are reflected in our 2004 estimates. The estimates for Learning begin on page 273 of the '04-05 government and lottery fund estimates. These estimates reinforce government's commitment to leading in learning and ensure that Alberta's learning system is flexible and responsive to the changing needs of Albertans.

Government has said that education is a top priority, and Budget 2004 confirms it. Once again, this year my ministry received the second largest dollar allocation of all departments. In this coming fiscal year total investment in our learning system will exceed \$5.4 billion.

An Hon. Member: How much is that?

Dr. Oberg: Five point four billion dollars, which includes \$171 million in support to opted out separate school boards. This planned spending represents an increase to base program spending of \$284

million plus \$10 million more in support to the opted out boards. This increase is over and above the \$76 million injected during the course of the '03-04 budget year, which brings the total increase to well over \$350 million, Mr. Chair.

3:00

Our focus on increasing access to postsecondary programs, including apprenticeship, and responding to the commission's recommendations will continue in '04-05 and beyond. Spending on the learning system will grow to \$5.9 billion by '06-07, a three-year increase of \$763 million, or roughly 15 per cent.

This year will be the year of building and adapting to the growing needs of Albertans. We will continue to strengthen our already excellent learning system to ensure that students of tomorrow have every opportunity for success and that Alberta has the skilled and knowledgeable workforce needed to be competitive for the future. This year will see some strategic enhancements made to our K to 12 learning system to ensure that our system is sustainable and responsive to Alberta's changing society.

Beginning September 2004, the renewed funding framework will be fully implemented. Through collaboration with stakeholders we have established clear goals and strategic priorities for enhancing our basic learning system. This framework will provide funding to school boards based on their unique circumstances, with additional support provided for students with special needs, aboriginal students, and English as a Second Language students as well as for school boards with higher cost pressures, smaller schools, and declining enrolments.

Boards will have the flexibility to use their funds to address their local needs. These include issues such as class size or supporting other recommendations made by the Learning Commission. Boards will also be accountable to their constituents for outcomes as well as how their dollars are spent.

Government has shown support for many of the recommendations of the Learning Commission. As I mentioned, work is already underway to implement a number of recommended initiatives which will continue in the coming year. Some of these initiatives include implementing new second-language and physical activity/wellness programs. Mr. Chair, I will say that the second-language initiative was officially launched today at the Telus centre at the University of Alberta and was met with extreme accolades from both parents and educators alike.

We are also undertaking a number of technology initiatives, including video conferencing, and setting up a new practice review process for teacher competency. Mr. Chairman, I really must commend the Alberta Teachers' Association on the teacher competency practice review process. This will be initiated in our present bills 25 and 26, which are before the Legislature right now. This is truly revolutionary and sets a standard for what is going to come in the rest of the world.

We will continue to work with stakeholder groups to look at options and implement the remaining supported recommendations. Ongoing support to the K to 12 system will increase by roughly \$250 million budget over budget this year. It will increase by \$260 million, or an increase of 5.8 per cent, forecast over budget. If you take into account the funding injected, as I said, this will be \$250 million, and it's going to grow to \$4.3 billion by '06-07.

On page 277 of your estimates book operating support to public and separate schools has increased by \$189 million, or 5.9 per cent, to almost \$3.4 billion. This budget gives school jurisdictions increased funding to operate their schools and provide a quality education to their students with the flexibility to choose how they will use funding to address their local needs and priorities.

We have also renewed our commitment to identify provincial priorities. The Alberta initiative for school improvement will receive over \$68 million this year, and, Mr. Chairman, as you fully know, this has been one of the most successful initiatives that Alberta Learning has ever put forward.

Funding for student health services will increase \$4.4 million, or 13.3 per cent, to \$37 million this year. As well, the funding for the high-speed networking will be maintained at \$11 million.

Other increases include an additional \$1.5 million for curriculum supports through our Learning Resources Centre, the people that were here this afternoon, Mr. Chairman, who do just an absolutely superb job in purchasing textbooks and resources for the schools, as well as an increase of \$16 million for teachers' pensions, raising government's contribution to \$274.7 million for teachers' pensions.

There's also an increase of \$4.4 million, or 3.7 per cent, to private schools, for a total of about \$121 million in '04-05.

On the postsecondary side, Mr. Chair, the postsecondary system plays an absolutely critical role in the preparation of a highly skilled workforce as well as in the creation and application of new knowledge and technology. Our government is committed to ensuring that this system can continue to fulfill this role. New legislation is in place, Bill 43, that's going to guide the adult learning system well into the future. The Post-secondary Learning Act, as Bill 43 is called, along with significant investments in adult learning will make our adult learning system even more adaptable and responsive to the needs of our students.

Funding to support the adult learning system will increase by \$93 million forecast over budget, Mr. Chairman. I will say again that budget over budget this is going up \$125 million, which is a much more accurate figure than the \$93 million that's in the budget.

I would also like to direct your attention to page 279, in which support to postsecondary institutions will increase by \$85 million, or 7.5 per cent, to more than \$1.2 billion. Again, I keep reminding you that this is forecast over budget. This is not the number that I use, because I don't believe that it's a true number. The increase will provide a 4 per cent increase to base operation grants for publicly funded universities, colleges, and technical institutes and provide additional funding to create new spaces in high-priority programs and enhance our world-leading apprenticeship programs.

Government will also provide \$7 million in ongoing operating supports to accommodate the merger of the University of Alberta and Augustana University College in Camrose. Mr. Chairman, this merger alone will support more than 1,200 degree completion opportunities to meet the increasing demand in rural Alberta. We are going to see Camrose become an absolute gem of the province due to the merger between Augustana and the University of Alberta.

In our continuous drive to create and maintain a well-educated workforce in Alberta, we strive to ensure that financial need is not a barrier to further education. While we recognize that the cost of postsecondary education is a shared responsibility between students, their families, and government, government does its share to maximize opportunity for students and keep debt levels down.

The support to postsecondary learners this year will rise by 7.3 per cent. This provides for an increase in funding for scholarships, for bursaries, and for grants in '04-05. Through Alberta's scholarship program about 27,700 students will receive almost \$42 million in scholarships this year alone.

We also expect to disburse some 97 million dollars in student loans in '04-05. Yearly loan limits for all students will also increase by roughly \$400. The Alberta student loan relief benefit and the loan relief completion payment will reduce students' debt in their first and final years of study.

This year \$4.3 million has been allocated to implement the new

Alberta centennial education savings plan, that has recently been debated in this Legislature. It begins January 1, 2005. This significant new investment will grow to about \$20 million a year beginning in '05-06, will encourage parents to save for their children's education, and help pay the future costs of postsecondary education.

Budget 2004 will also help alleviate some of the province's infrastructure pressures due to the rapid economic and population growth in recent years. Alberta Infrastructure's '04-07 capital plan provides \$1.1 billion for new and improved school and postsecondary facilities, \$636 million to support school capital projects throughout Alberta, and \$416 million to support postsecondary projects.

Mr. Chairman, the '04-05 budget and business plan continue to maintain government's commitment to lifelong learning and ensure that all Albertans will have access to an affordable, high-quality education system.

Mr. Chair, I now would invite any questions, and I will say to the opposition that if there are any questions that I either cannot answer or inadvertently do not answer, I will give them to the opposition members in writing.

So, Mr. Chairman, with that, I'd be more than happy to take questions from any Member of the Legislative Assembly.

The Chair: The hon. Member for Edmonton-Mill Woods.

Dr. Massey: Thank you, Mr. Chairman, and thanks to the minister for that overview of the budget.

I have questions in two categories, Mr. Chairman, that I'd like to pursue this afternoon. The first are sort of broad questions about the implications of the budget and the possibilities in the budget, and then the others are some of the more mundane, specific-information questions.

3:10

I wanted to start with the first question, about special education and special education funding. One of the problems that is constantly brought to the attention of, I know, the minister and certainly the opposition is the problem of the parents of special-needs youngsters being bounced around from school boards to the department of health to the Department of Learning to Children's Services and really having a very, very difficult time in many cases trying to get the services that they need for their youngsters.

One of the initiatives that are included in this year's budget is the cross-ministry initiatives that are outlined on page 342. My question to the minister is: has there been consideration of a one-stop window for parents? For many of them it involves trying to learn a lot of political skills, who's who, and they end up frustrated at one level or another. It just seems to me that it's so hard on them because they have difficult children to try to get services for in the first place. Do these cross-ministry initiatives include that kind of involvement?

The Chair: The hon. minister.

Dr. Oberg: Thank you very much, Mr. Chairman. I do believe that I owe the hon. member one, so I will say that that's an excellent, excellent question that the hon. member has asked.

That is what we're striving towards: to have a cross-ministry initiative that would in essence be one-stop shopping. Included in my budget this time is the student health initiative, and we have increased the dollars to the student health initiative quite substantially at this particular time. One of the issues that we had with the student health initiative, quite literally, was that the health care

workers were actually going up at a higher rate than what the educational workers were doing. So we had to put more money into the student health initiative to do that.

We are working on this, hon. member. We're working as hard as we can because the issues that you have brought up are extremely laudable. When we have a parent that has a special-needs student, he doesn't care who supplies the services, who gives the services, where the services come from as long as the services are there. We attempt to do this as best we can on the one-stop shopping system. Are we perfect in that? No, we're not. Are we working towards that? Absolutely. Yes, we are.

One of the issues that we have, quite frankly, is the transition between the PUF funding and the severe disabilities funding. This is something that we're working out to make the transition as easy as possible. One of the things that we have done, for example, is that a PUF student does not have to be reassessed for severe disabilities funding in the school system. This is an issue that occurred probably in the last three years, and we have taken that out so that they don't need that. We have attempted to make it as easy as possible. I would love to be able to stand here and say that we have one-stop shopping and that the world is great. The only thing I can answer to the hon. member is that we're working on that. What he stated is absolutely the direction we're going in and absolutely what we need.

The Chair: The hon. member.

Dr. Massey: Thanks, Mr. Chairman, and thanks, Mr. Minister. It is a long-overdue initiative and one that would really, I think, be appreciated by a lot of parents who have a lot of difficulties in trying to get those services.

I have some questions about the language initiative that was announced today. I applaud the government. I've been an advocate of second-language instruction. I find it a personal embarrassment that I don't speak both of the official languages of my own country, and I'm delighted that we have this initiative by the government. But my concern is the kind of advanced preparation and the kind of resources that such an initiative is going to require. To insert that first one in the program across the grades is going to mean that something has to give, and what's that going to be?

The second question I have is with respect to teacher preparation. It's going to be, it seems to me, a huge demand for teachers that can handle that, and I would really hate language instruction in this province to go back to what I had: the old French programs that leave people not even able to read labels on a cereal box let alone speak the language. So the need for really high-quality teachers who not only speak the language but know something about the children that they're trying to teach is going to be requisite for this being a success, and I'd like to know how that's going to be addressed.

Curriculum development. It talks in the news release – and that's all I have to go by, but it seems to me that before that's in place or that's being asked of boards, the curriculum development and the resources needed to support those programs have to be well along the way.

So I'd appreciate some comment from the minister.

The Chair: The hon. Minister of Learning.

Dr. Oberg: Thank you very much. I find myself in a little bit of an awkward position here, agreeing with the hon. member on the things that he has said. I, too, am embarrassingly unilingual, and it's something that I'm not really that proud of.

Mr. Chairman, we announced the second-language initiative today amidst quite a considerable amount of fanfare from both parents and

educators alike. Is this an easy initiative? No. Let's put it on the table. It is not an easy initiative. Is it a necessary initiative? Absolutely. Personally I find it embarrassing that our education system has not done a better job in languages. What we have seen right now is we're sitting at about 23, 24 per cent of students that take a second-language course, and keep it in mind that that could be something as simple as French 10 or French 20 or something like that. To me as Minister of Learning that's an embarrassing figure, and it's my job and it's my initiative to do something about this, and subsequently we have launched the second-language initiative.

This initiative will start off in 2006. It will start in grade 4. Mr. Chairman, the first year will be grade 4. The second year will be grades 4 and 5; the third year, 4, 5, and 6; and so on. So if you're in grade 9 in 2006, you do not need to expect that you will be expected to have fluency in a language. That's not going to occur. It will follow the students up through the system. At the end of grade 9 you will have what is called a beginner level of competency in the second language. If you continue on in second languages in grades 10, 11, and 12 – at which time the courses are going to be optional at this moment; I would at some point in time like to make them mandatory as well, but the logistics of that are a little more complicated than what we can realistically do right now – you will have an intermediate level of competency in a foreign language. If you choose to go on to university, you will be able to have the full level of language competencies.

When it comes to curriculum development, what we have done is we have taken seven different languages and have looked at curriculum in all seven languages. The important thing to remember here, Mr. Chair, is that we have not developed these curriculums ourselves. We have gone out to other jurisdictions and we have gone out to other countries and actually taken their curriculums, ones that we find satisfactory for Albertans, and we'll utilize their curriculums.

One of the things that we have done, for example, is worked very closely with Spain to develop a Spanish curriculum, and indeed we are in the process of purchasing the Spanish curriculum from the Cervantes Institute in Madrid, which is one of the world-renowned institutes when it comes to Spanish language. We have also borrowed a lot of other curriculums. A lot of them, though, we have developed ourselves. We have a very extensive Cree curriculum in the city of Edmonton and some of the northern units, so what we're doing, quite simply, is taking those curriculums and making them available to all Albertans. So from a curriculum point of view I'm confident that we will have the curriculums in place for this initiative. My people tell me that we are well on the way and do have these curriculums available.

3:20

The teacher preparation is probably the question that I get asked the most. When I talk about this undertaking, is it an ambitious undertaking? That's putting it mildly. It's a very ambitious undertaking, not necessarily in Edmonton and Calgary. In Edmonton and Calgary we have a lot of teachers that speak a lot of different languages. The ability to teach language is there. Where we're going to run into some issues is in rural Alberta. In the hamlet of Gem, Alberta, for example, with a student population of somewhere around 25 to 30, is it going to be a problem? Yeah, it is.

What we're going to be relying on is the SuperNet with video conferencing capabilities. We're doing some experiments right now in the Prairie Rose school division on the ability for the SuperNet and for the video conferencing to be able to teach these languages. It's looking very, very good, and I truly believe that we will be able to do that.

I have taken the approach, Mr. Chair, in this initiative that we simply cannot afford not to have a second language. Therefore, we are putting in a lot of resources and we're doing a lot of things to ensure that this occurs.

Another couple of things, if I may have time to say this, is we announced today as well some bursaries, \$2,500 bursaries, some grants of up to \$5,000 for teachers to go back, for example, and learn the second languages, more so learn how to teach second languages. We have a considerable amount of teachers that already have a second language, but having a second language and teaching a second language are two completely different things. So we're doing that.

About five months ago I opened up the language institute at the University of Calgary. Quite simply, what this is is a research institute within the University of Calgary to look at how to teach language, to look at different types of languages, to find out how children learn from languages, and, Mr. Chair, through to all the Members of the Legislative Assembly, I would certainly encourage the hon. members to tour that institute. It's very, very impressive. There is cutting-edge research that is being done there, and what they have told me – and realistically I'm only as good as what they tell me – is that it is absolutely a one hundred per cent world-class structure and institution. So we look forward to getting that.

The hon. member has asked some excellent questions about an initiative that I personally have taken a lot of stake in. It's something that Albertans want. It's something that I wish I had when I went to school. The hon. member wished he had it when he went to school, and I think that's what I hear all over Alberta when I talk about this.

The Chair: The hon. Member for Edmonton-Mill Woods.

Dr. Massey: Thank you. Again just a couple of questions on the same topic, Mr. Chairman. The resources in the budget for technology – the minister mentions video conferencing, and video conferencing requires some fairly sophisticated technological hardware and software. The minister is aware that there have been questions in the House the last couple of weeks about the costs of SuperNet, schools getting hooked up to it, being able to maintain it, having money to pay the monthly hookup fees. Is there money in the budget? Will there be money that will allow schools to gain that equipment and to be hooked to the system? Right now we hear from a lot of people that evergreening of their equipment is just not possible. So is the minister happy that there's money in the budget that will make that possible?

The Chair: The hon. minister.

Dr. Oberg: Thanks, Mr. Chairman. The hon. member has asked a couple of questions. First of all, the costs of SuperNet are included in my budget. There's \$11 million that is specifically set aside to pay for the cost of the broadband access. Also, I will add that included in the funding formula the line costs for SuperNet are enveloped. Quite simply, the reason that they are enveloped is that I did not want the cost of hooking up to SuperNet to be a detriment to school jurisdictions doing it or not doing it.

The SuperNet will be there. The SuperNet will be in every school, and a significant portion of the costs are going to be borne by the government. I will say that there have been questions in the House about the cost of SuperNet, and it's my understanding that for many jurisdictions you're actually going to see a decrease in what their line costs are as to what they're paying today.

Another interesting point is something that we've been working

on, Mr. Chair, which is evergreening. The whole idea behind SuperNet is not just to provide broadband wavelength. SuperNet gives us opportunities that are actually going to be quite incredible. What we're looking at doing is setting up a server-based system so that what we will do is put all the programs, basically the programs that we need, all the resources that we need, on the server.

There are two advantages to that. First of all, we have the ability to review all of the resources and all of the programs that go on the server, so we can be assured that when our students in the school access the SuperNet server – and in just a second I'll get to how they access it – all of these resources have been prescreened by my staff, by Alberta Learning staff, so that it is good, high-quality resources. What we are in effect doing is setting up an Intranet as opposed to the Internet.

The other advantage, Mr. Chair, directly to the server-based system is that we can utilize the economy of scale of all the students in the province to get a better price. We have about 580,000 K to 12 students. We have about another 110,000, 120,000 postsecondary students. We can use those 700,000 students to get a better economy of scale on programs. If you were to go out and had 10,000 users, you are not going to get as good a deal as if you had 700,000 users in order to purchase programs. So we're looking at that.

Lastly, Mr. Chair, the most exciting part about a server-based system is what the hon. member has raised, which is the evergreening. We will have the ability to sign contracts that would include – and what I'm setting down as a minimum is 10 years of evergreening. So when it comes to programs, when it comes to resources, it will be 10 years, but more importantly what we will be doing is at the actual school site they will not need a computer per se. What they will need is a screen, a monitor, and a card-reading type of system or some variation of a system that will take them into their server. The other advantage of this is that the evergreening cost to the school district should be almost nil because all you're going to have to replace are the monitors and the keyboards.

So that's what we're looking at, Mr. Chair, and albeit we do not have anything firm yet, we are looking at putting out an RFP this month or next month to actually attempt to do a pilot project on this exact concept. We have a concept like this in the Chinook's Edge school division, but the problem has actually been that we are ahead of the technology companies. The technology to use the broadband capability on the server-based system is just coming out now. We feel that the technology is out there. We obviously are going to test it in a geographic pilot project, and hopefully there will be more to that as the RFP is put out. We have not finished the RFP. It will however be put out within the next month to six weeks.

The Chair: The hon. Member for Edmonton-Mill Woods.

Dr. Massey: Yes. Thanks, Mr. Chairman. Oh, I should have mentioned that on the IOUs I don't consider us wiped out and even. He's not getting off that easy.

I'd like to ask if we will be seeing as a result of the Learning Commission a performance measure with respect to class size. It's one that I've seen elsewhere, where states have had not a performance measure but a reporting, for instance, of the number of kindergarten students that were in classes, the percentage of kindergarten classes that were over 17, the percentage of grade 1 classes that were over 17. It seems to me, as I've talked to parents and heard from parents across the province, that that is something that really is of high interest to them and a major concern. I think that next September there are going to be a lot of parents who are going to be watching very carefully, expecting that their children will be in smaller classes, and somewhere down the road getting into the

area that was recommended by the Learning Commission. It seems to me that the kind of reporting that we've had of averages doesn't do that. There has to be something that really gives a better picture because of what happens with averages.

3:30

The second with respect to that was the reports that this budget is not going to be adequate for progress to be made with reduction to class size and the chair of the Learning Commission indicating that the monies that they were recommending are above and beyond volume and rate increases that would normally be a part of the budget. Is the minister confident that we are going to see, in September at least, movement in the direction of the commission? Given the multiyear projections that the commission made, is the minister confident that in three or four years we will actually have reached the standards that they have put out?

The Chair: The hon. minister.

Dr. Oberg: Thanks, Mr. Chair. First of all, when it comes to the performance measures, starting in November of this upcoming year there will be a requirement for all school jurisdictions to have an accountability profile that would be given out to the constituents, that will be made public, which will include class size. It will include absolutely how they spend all of their money, administrative costs. All of these things will be required to be made public and, indeed, not just made public but given to all the constituents. The key – the key – to accountability is transparency, and we have attempted to make the whole funding system as transparent as possible.

There are two excellent, excellent things in the Learning Commission, but the unfortunate part is that these two are a little bit at odds with each other. The first one is the whole idea about class size, about the reporting of class size and how we should try and get down in the province to the averages that were iterated in the Learning Commission. The second is the funding formula. What we're attempting to do is reconcile those two differences.

First of all, Mr. Chair, the funding formula gives ultimate – ultimate – flexibility to the school boards. In the new funding formula effective September 1, there are only three things that are enveloped. As I mentioned previously, there is the SuperNet hookup line charges, which are enveloped. There's a student health initiative, and there's the Alberta initiative for school improvement. Everything else, or roughly 95 per cent of the dollars, is going to be flexible to the school jurisdictions.

So, Mr. Chair, a type of answer to the question is: if the school boards chose to use that money in a flexible way in a fashion other than class sizes, could they do it? Yes, they can. Under the new formula they do have the ability to utilize that. However, what we're doing is forcing the school boards to be transparent in how they spend the dollars. They have to be transparent in what the dollars are used for, such as number of teachers, administration, class sizes. All of these things have to be given out to the public.

So there is a little bit of difference in the Learning Commission recommendations and how these are going to work. The key thing that I talked to the school boards about is that, realistically, this funding formula entails a great amount of trust. With that flexibility comes a great amount of trust that the school boards are going to put the money where it's needed.

I believe in local autonomy. I believe in school boards. I believe that they have the ability, that they know better what is happening in the classrooms, in many cases, than my department and, certainly, than I do, and that they will go ahead and do it. But there's a huge

amount of trust there, and, Mr. Chairman, if politics enters into this, we're going to be in a severe amount of trouble. Therefore, the accountability piece of the funding formula is going to have to force the school boards to report to the general constituents about what they are doing, about where they're spending dollars, where their dollars are actually, 100 per cent, being spent.

This is going to cause a specific problem, and I don't mean to pick out any specific school boards, but one of the great attributes of the Edmonton public school system is that they give all the money out in a very decentralized fashion. One of the problems that is going to occur with the flexibility of the funding formula is exactly reconciling the accountability behind those dollars, and we are attempting to do this in a reporting mechanism.

I will say to the hon. member that this is a work in progress, and this funding formula is something that we're very, very concerned about on the accountability side. The Alberta School Boards Association has assured us that they are up to the task, and we will be working closely with the School Boards Association to ensure that that accountability and that transparency are there so that everyone knows how the dollars are being spent, the amount of dollars, all of these other issues. Mr. Chair, as you fully well know, to me transparency is the best political tool that is out there.

The Chair: The hon. Member for Edmonton-Gold Bar.

Mr. MacDonald: Thank you, Mr. Chairman. I also have questions, obviously, at this time for the hon. minister. It's a pleasure to participate in the debates this afternoon on the budget for Alberta Learning.

When I talk to parents about the Learning Commission – and I talked to the hon. Member for Edmonton-Mill Woods – they compare it to a Sears or Eaton's catalogue at Christmastime. It's a wish list. Unfortunately, there doesn't appear to be money to back up so many of the recommendations that are needed, and I would certainly hope that the department and the government can make the financial commitments that are necessary to fund adequately the recommendations of the Learning Commission report.

Are we going to see class sizes go down next fall, Mr. Chairman? Unfortunately, I don't think so. I routinely visit classes, particularly in elementary schools, where there are in excess of 30 children, sometimes 34, 35 children, and they're split between grades 5 and 6. The teacher literally has to have a whistle around his or her neck like a hockey referee, and the whistle has to be blown if there's a stop in the action. I know that there have been strides made to improve this situation, but those strides, in my opinion, are not long enough.

Now, I have a question, and I would really appreciate a clarification from the minister. I believe that is all that's required in this regard. In regard to students with special needs or special-needs funding, I was talking to a constituent who has a child in a junior high, in grade 7, and this constituent is particularly concerned that there will be no special-needs funding for her child once that child leaves grade 9. The hon. Member for Edmonton-Mill Woods has wisely advised me that, well, there are programs at L.Y. Cairns for special-needs students. What other alternatives or avenues does that parent have, once that child graduates from junior high, to further that child's education? If you could explain that, I would be very grateful.

Thank you.

The Chair: The hon. minister.

Dr. Oberg: Thank you very much, Mr. Chair. The hon. member has two sets of questions there. First of all, the money for the Learning

Commission. Included in the Learning Commission's recommendations was roughly an increase of about \$600 million over the next five years. What was not included, as the hon. Member for Edmonton-Mill Woods pointed out, was the cost for increases in salaries, things like that. So it's \$600 million over five years.

What you see in this budget to the K to 12 system is an increase budget over budget, recognizing that we did put in an extra \$90 million, that we did put in an extra \$30 million for operations and maintenance. Budget over budget is a \$250 million increase. In three years I believe it's something like \$730 million. I don't think I need to look; it's pretty close to that. So the monies are there.

3:40

Are we committed? Absolutely. There are some excellent recommendations, Mr. Chair. When I set up the Learning Commission, I did not set up the Learning Commission to give us recommendations that we could not fulfill. I did not set up the Learning Commission to be able to put the Learning Commission's recommendations on the shelf never to be opened again. That is the deal that I made with those people on the Learning Commission, and I believe that that is the deal that we have followed through on.

Is there going to be that \$600 million in the first year? No, there isn't. It is not going to be in the first year. Is it going to be in the five years? Yes. Are we going to implement the recommendations over five years? Yes. Are some going to be implemented today? Absolutely. Some already have been implemented today. Are there others that are going to be implemented tomorrow and the day after? You bet. Mr. Chair, we're working hard, but more importantly I really feel that we're working smartly, and that's something that's absolutely important to do.

With regard to the member's direct question about special-needs funding, the way special-needs funding is given out to the school boards is on a pro-rated number of students. For example, I'll give a little bit of history if the hon. member will tolerate this.

Initially, we were putting in money for assessments, so every student, before they received the severe disability funding, would have to have a thousand-dollar assessment. In essence, you would have a thousand-dollar assessment so that they could get \$13,000 extra in funding. Obviously, for the principals and the school boards it was their best effort to put through that these kids would be assessed as severe special needs.

First of all, I don't like the label of severe special needs. I think there are people that have children that have to be individualized when it comes to their educational plans.

Secondly, I just absolutely cannot tolerate the waste of a thousand dollars on an assessment when you don't need it. We were having situations, through to the hon. member, where a child was blind, and every three years they were having to have a thousand-dollar assessment to determine if the child was still blind or deaf.

So we cancelled the need for the assessment, and we've pro-rated it. We've taken the last five to seven years of a school jurisdiction's growth in special needs and simply pro-rated it. If the school board feels that their pro-rate number is wrong, they have the ability to appeal to us, and actually, Mr. Chair, in the first year that this occurred, there were only about two or three school boards that actually put in an appeal. Unfortunately for the Member for Strathmore-Brooks, two of those appeals came from, you got it, Strathmore and Brooks. But we attempt to do as accurate as we can an approach for that.

So, to the member, the parent's child will still receive special-needs funding. How the school board chooses to put that out into their school programs is up to the individual school board. In many cases, for example, they have specialized programs in specialized

locations. In other cases – and I don't want to get into the actual disability that the child has – the attempt is there to tailor the program to the individual child, to the individual child's disability and then put the child in the best location for that child.

The parent does have the ability and, in fact, the necessity to sign off the individual program plan on each and every child with disabilities. So the parent will have to sign and say that this is the best place for the child to be; this is the program that's going to occur. I expect and I hope that these parents will hold the school boards and the teachers and the school system accountable to ensure that that individual program plan is followed through as written out, as they've signed on the dotted line.

Those dollars are still there. They follow right through. I can't get into specifically what program would be best for this child because I don't know the child, I don't know the disability, but Edmonton public does an exceptional job when it comes to disabilities, and I would give it to you that they're probably the best people to answer that question.

The Chair: The hon. Member for Edmonton-Gold Bar.

Mr. MacDonald: Thank you. To the hon. minister, I appreciate that answer.

Now, does that set of rules also apply to mild special-needs students as well which are included in the per pupil grant? Yes?

Dr. Oberg: Yes, it does. The individual program plan needs to be in place for the mild to moderate special-needs students as well.

Again, I'll reiterate a little bit. Mild and moderate: I don't like using that definition. The problem is that – and I'll use the terminology – many mildly disabled students can improve and come out of that category. The unfortunate part about our school system is that once they're labelled "mild" or labelled "moderate," that label tends to stick with these children right through the school system. I don't agree with that.

I don't agree with the labelling of students. I don't agree with how that is done. That's one of the reasons why we changed the way the funding was put in. It drove me crazy, Mr. Chair, when I would go to a school and they would point out the code 43 students. They wouldn't use the child's name. They would say, "Here's a code 43," as opposed to "Here's Johnny" or "Here's Sarah" or something. "He's code 43; he's code 44," and so on. Drove me nuts.

So, Mr. Chair, that's one of the reasons why we did that. Again, it takes a little while to move through the system, but it is something that we're attempting to do. The individual program plan is in place for mild and moderately disabled students through to grade 12.

The Chair: The hon. Member for Edmonton-Gold Bar.

Mr. MacDonald: Thank you, Mr. Chairman. Now, I'm concerned about the high cost of tuition fees at universities. Last year in your annual report 2002-2003 – and I'm going to look forward to checking this a little later in the summer when your next annual report comes out – under the primary reasons listed on page 21 "for not taking education or training (percentages and rank) is a category simply stating that it "costs too much." In 1998-99 5.9 per cent indicated that that was the reason for not taking education or training: it costs too much. This went up in steady steps to 2001-2002 when 11.3 per cent of individuals stated that it costs too much to take any further education or training. It went down significantly in 2002-03, actually, to 8 per cent. So in 2002-03, the last time we had access to this information, 8 per cent of students could not afford to take further education or training.

In light of the fact that we have since put tuition fees up again, what number does the minister expect to see? Hopefully, it's not going to be anywhere like 1 in 10 students has financial reasons as a barrier to furthering their education. What steps are we going to take to reduce this significantly in light of the fact that we've increased tuition fees?

The Chair: The hon. minister.

Dr. Oberg: Thanks, Mr. Chair. First of all, it's nice to see a drop in that number from 11 per cent to 8 per cent. The one comment that I will make on that is that the way the question is worded, this is the perception of being able to go to school. So it's perceived that they don't have enough money, and that's why they're not going to school.

I will take this opportunity to talk a little bit about the student loan program. Since I've been minister, the student loan program has increased by anywhere between 50 and 60 per cent in the last five years. It's gone up quite significantly. We're now at a time when we have \$97 million that is spent each and every year to go out to Alberta students. That's just from Alberta; that isn't from the federal component of student loans.

So one of the criticisms that I have of my department is actually not in how it runs the student loan program, because if you talk to students anywhere in Canada – and our students say that as well – they will tell you that our student loan program is by far the best of anywhere in Canada. Just by way of advertisement, we are the only jurisdiction that has increased loan limits in I believe the last 10 years. The rest of the student loans, the rest of the provinces are actually tied to the federal government, and the federal government has not increased its loan rates, although thankfully it is talking about increasing them this year.

3:50

The other key component, Mr. Chair, is our remission program. I think everyone here who has gone through – and at least I have – university with a student loan is well aware of the remission program. We've taken the remission program one step further. We have increased the amount of loans available to a student, but we have kept the amount that you have to pay back constant. We've kept that amount that you have to pay back at \$5,000.

Since I've been minister, the amount of student loans that a student would be eligible for if he was at the maximum amount has increased from around a little over \$10,000 to this year where we increased it another \$400 to around 11 and a half thousand, \$11,400. Mr. Chair, the amount that you pay back, though, during that time has remained constant. It's constant at \$5,000. So for a four-year program, if you have full student loans, you can expect to have realized about \$45,000 in loans from the government. You can expect to pay back about \$20,000.

Put that in perspective, Mr. Chair. Those of us in here who pay taxes, those of us who drive taxis, those of us who drive trucks have contributed to your student loan, contributed to your education, \$25,000 in one degree, a four-year degree. This truly, I believe, is an accomplishment.

The other point that the hon. member was alluding to was the whole point on tuition. I get a little perturbed at times when we talk about tuition and talk about the expense of tuition. First of all, I believe that tuition and postsecondary education is absolutely, 100 per cent the best investment that any citizen in Alberta can make for themselves. It's absolutely fabulous. We have high-quality institutions. We have institutions that can essentially teach anything anywhere any time to anyone. It's a true credit to our province to have the institutions that we do.

When it comes to the tuition fees, one of the issues that we have – and again this is an issue that I have with my department – is that people overestimate the costs of postsecondary education. When you do the polls, the average cost for a university education is seen anywhere between \$6,000 and \$8,000, while in reality the actual cost is right around \$4,500 for tuition at a university. At a college it is sitting around \$3,300, \$3,400 on average, and at a technical school you're sitting in the \$2,500 to \$2,700 range.

To put that in context – and I really do believe that when it comes to tuition, we have to put some of these things in context – a pack-a-day smoker will spend \$3,650 each and every year, which is more than tuition, to smoke. To go to a technical school is about a quarter of the cost of purchasing a skidoo. To go to a technical school is about an eighth of the cost of purchasing new the lowest priced car that you can.

Mr. Chairman, again, I'll just reiterate. I have a responsibility. I will have three students in the postsecondary education system next year. Is it expensive for me to do? Yeah, it is. Is it worth it? Absolutely. My kids going to postsecondary education is absolutely the best thing that I as a parent could do for my kids. Do I want the education system, the Alberta government, to pay exclusively for my kids to go through? No, I don't, because I have a responsibility as a parent, and it's something that I feel very strongly about.

In Alberta with our tuition policy we have stated that the individual will pay up to 30 per cent of the actual cost of the degree. With Bill 43 we have actually changed that, so once the 30 per cent rate is hit, then it moves up to cost of living plus 2 per cent. To put that in perspective, Mr. Chair, there are about three institutions in Alberta that actually hit the 30 per cent rate, and the reason they hit it is not because they were raising tuition. The reason they hit it is because their expenses went down. I don't think anyone anywhere would want us to penalize these institutions when their expenses go down when their tuitions have not gone up. So that is why we put in the cost of living plus 2.

Again, to put it into perspective, our universities are sitting at about 24 or 25 per cent of the actual cost of your education. So, Mr. Chair, when you're paying \$4,500, the government, the university, investors into the university are paying that other 75 per cent. When you pay \$4,500 for your child's university education, you can rest assured that there is another group of people out there, being the government, being the university, that are paying another \$18,000 to educate your child.

Mr. Chair, I do think that I have a responsibility to educate my children.

The Chair: The hon. Member for Edmonton-Gold Bar.

Mr. MacDonald: Thank you. Continuing along that line, to the hon. minister: are you tracking the private debt that is accumulated by students attending technical or university courses? Also, since we were talking about technical schools, and everyone is talking about the labour shortage in this province – and we all know that there's not a labour shortage; there's a shortage of cheap labour – whenever we consider that between 10 and 11 per cent consistently of the age group between 15 and 24, Mr. Chairman, are unemployed in this province, I think that is a good pool of workers for the government to target apprenticeship programs to. Before we look at introducing other measures in training foreign workers and bringing them here, let's reduce that group of young Albertans between 15 and 24 to the provincial average, which is around 4 and a half, 5 per cent unemployment, and get them into the skilled trades.

Also the First Nations people – there is chronic unemployment there. If we could work at that, I think it would be a benefit to all.

Because there is certainly not a shortage of labour; there's a shortage of cheap labour in this province.

Also to the hon. minister: what percentage of Albertans who enter into a registered apprenticeship program, whether it's an optional or a compulsory trade, actually finish that trade four or five years later? There are registered apprentices; there are new apprentices. How many graduate? How many attend technical school? Is there a large percentage that go into the system and then come out the other end, I assume, four years later? Or is there a significant number that, for whatever reason, just drop out? If you have statistics on that, I would appreciate hearing from you.

Thank you.

The Chair: The hon. minister.

Dr. Oberg: Thank you very much, Mr. Chair. First of all, when it comes to private debt, the figures that we use are actually StatsCan figures. We don't have the ability to go in and actually assess a private debt. Because of the implications of freedom of information and privacy, we cannot go in and actually do it. So the numbers that we use are Stats Canada data. Obviously, StatsCan tends to be two or three years later than what the actual year is, but that's the only way that we can get the issues on private debt as well.

The hon. member has raised some other really interesting questions. First of all, I'll disagree with the hon. member about the shortage of labour being the shortage of cheap labour. I'm in regular conversations with people in Fort McMurray, where there is a huge number of workers that are needed. Just in the four or five companies that I can name off the top, they're probably 10,000 to 12,000 workers short as of today and potentially over the next year.

Mr. Chair, these workers are getting paid prime, prime salaries. They're getting paid, I'm assuming, \$30 to \$40 an hour. Quite simply, they cannot get enough workers to go up to Fort McMurray. Fort McMurray, albeit a wonderful place, is not necessarily the vacation capital of the world, and there are some issues with getting people to actually work up there. People don't want to leave their families, et cetera, et cetera. So I disagree with that. I think that those are excellent, excellent wages and that there is an actual shortage of labour.

4:00

The hon. member raised some excellent points when it comes to apprenticeship. In the apprenticeship system, Mr. Chair – I'll reiterate some of the numbers that I love to use. We have 10 per cent of the country's population, and we train 20 per cent of the country's apprentices. We presently have 40,000 apprentices in our system at any one time, and that just absolutely makes every other province pale in comparison when it comes to those numbers.

Our apprenticeship system is something we take very, very seriously, and I believe that when you take a look at our budget, you have seen inordinate increases in the apprenticeship. We have increased the number of apprentices going out in a year from 1997-98, I believe, by 50 per cent, so we have really ramped up the apprenticeship system.

Obviously, contingent on the apprenticeship system is the red seal program. We will not – we will not, we will not, we will not – decrease our standards just to get workers in here. The red seal program is the gold standard for any apprenticeship anywhere in the world, and that's what we continue toward, although I will say that we have had a lot of people who have asked us to decrease the standard just a little bit, just cut them down a little bit. But we have steadfastly refused to do that and continue to refuse to do that.

The First Nations people. Again, Mr. Chairman, it's an excellent

question the hon. member asked. There certainly is a pool of talented people out there that we can get into the apprenticeship system. We've done extensive work with the aboriginal population through our First Nations, Métis, and Inuit policy. We've actually gone in and asked these students: "Why are you dropping out of school? Why are you leaving school? Look at what you can have the advantage of doing."

Consequently, they said to us, different from the rest of the population, that the decision to drop out of school is often made in grade 8 or 9. So what we have done is put in an aboriginal youth apprenticeship program to target these kids as early as grade 8. So in grade 8 we will start these kids along their apprenticeship pathways, and that has proven to be very successful in keeping some of these kids in school.

Since I talked about Fort McMurray, I will put a plug in for Fort McMurray and the employers in Fort McMurray when it comes to apprenticeship. Almost to a T the employers in Fort McMurray have 20 per cent apprentices on their staff, and that is something that they feel strongly about and it's something that they're pushing towards.

The other thing that's equally as important is that they are pushing and pushing and pushing their workers to have a grade 12 education. In many construction jobs it would be much nicer to be able to take the, you know, six foot five, grade 11 student, but the employers in Fort McMurray – and I give them full credit – have said that they want high school educated students.

So in many aboriginal communities these people when they quit school cannot go into the workforce in Fort McMurray, and in talking to the aboriginal people in northern Alberta, they are fully cognizant and fully aware that they must finish grade 12. What we've seen actually, albeit it is not as good as the rest of our province when it comes to the grade 12 completion rate, is an increase in aboriginal completion rates of grade 12, an inordinate increase. It's still nowhere close to what we would like and nowhere close to what the rest of the system is, but we are seeing that increase.

The other pride that I have to stand here before you today and speak about is something that we have developed: the registered apprenticeship program. That was developed by my predecessors and instituted in about '98-99. This program has worked absolutely excellent. It has captured students that, in effect, would have dropped out.

For the information of the Legislative Assembly you're able to retain 40 credits towards graduation by taking the registered apprenticeship course, and it has helped many, many students who, in effect, would drop out. I don't have the exact number that the hon. member was asking for. I certainly will strive to get that number. Again, it's a very tough number for us to get in order to correlate the number of students in the RAP program. I can tell you anecdotally and purely anecdotally that I would expect that number to be around 75 to 80 per cent completion. So it has been a truly successful program.

One of the other things that we have done, which is unique to Alberta – and I believe it shows the importance that we have for apprenticeship – is we have given the RAP scholarships. Each and every year there are 50 students in the RAP program that receive \$1,000 scholarships. This is assessed by their employers; it's assessed on their school studies and the marks that they get.

Interestingly enough, Mr. Chair, last year of the 50 apprentices that received the scholarships, I believe there were around 20 of them that also received the Rutherford scholarships. This is not a lower class people; it is not a lower class occupation. It is something that's extremely important to this province, and it's something that is going to continue to be important in this province.

Mr. Chair, as I said in this Assembly on Wednesday, I had excellent conversations with the minister in British Columbia about the mobility of workers across our borders, between British Columbia and Alberta, and again I did not opt to decrease the quality of what our workers have. B.C. is going to be going through to the red seal program. They will however probably be laddering some of the steps to the red seal program, and we're presently working on exactly how that can be done.

But quality, quality, quality when it comes to our apprenticeship. If you ask any person in the apprenticeship industry, any person in business they will tell you – and it's something I strongly believe – that we have the number one apprenticeship system in the world, bar none.

The Chair: Before I recognize the hon. Member for Edmonton-Gold Bar, I would just like to draw to the attention of the members of the Committee of Supply that the first hour is well past, so that opens up the opportunities for questions.

The hon. Member for Edmonton-Gold Bar.

Mr. MacDonald: Yes. Thank you, Mr. Chairman. There are other members who want to ask questions of the hon. minister, so I will be quite brief here.

Following up on the minister's comments, certainly in the – I call it the brag book of the government. Under Low Operating Costs the annual labour costs here in Edmonton are certainly lower than other places listed on page 119 of the fiscal plan, and when we look at the general satisfaction rates of employers with Alberta workers, the employers' satisfaction rate is excellent, and also the productivity of the workers is excellent.

There are those that malign our labour force and say that it is unproductive and that that is the reason for these cost overruns in Fort McMurray. That argument holds no merit. There are many electricians, unionized electricians, over 2,000 of them as a matter of fact, who are on their union's out-of-work board, and if they can make \$30 or \$40 an hour in Fort McMurray, I'm certain that they would go there. They're well trained, they're skilled, and they're very anxious to work. I would urge the hon. minister and his colleagues just to contact some of those respective unions, and they will see for themselves that these workers are well trained, and they're anxious to participate in the growth of this province.

Now, I would like to thank the hon. minister. Certainly, there have been some individual files which he has shown a great deal of time and attention to – hopefully they can be resolved – in regard to compulsory trades in this province. I am looking forward, after this discussion we had regarding apprenticeship dropout rates, to working with the minister and his department because I, too, am working on a series of statistics, and I really hope that the dropout rate in the apprenticeship programs is as low as the minister has indicated today, because that's good news.

Thank you.

The Chair: The hon. minister.

Dr. Oberg: Thank you, Mr. Chair. I neglected to add a couple of things for the hon. member's last questions, and it's something, as well, on the apprenticeship side that we're extremely proud of. In talking to the Northern Alberta Institute of Technology – obviously, we have just put a very huge investment into the apprenticeship side with them – what we've seen is that the median age of our apprentices is now down around 21 or 22, which is extremely positive. Our mean age, our average age, is still up around 26, 27, but that quite simply means that we have more 45 and 50 year olds coming in. But

our median age, which I think is extremely important for apprentices, is now down in the 21, 22 range.

4:10

Would I like it lower? Yeah, I would like it a little bit lower, but it's still a huge, huge step forward on this, I think. I don't have any facts to back this up, but I think it's really shown the acceptance of the trades and the acceptance of apprenticeship as a very valuable occupation. Certainly, in my department and every place that I speak, I speak about the trades often as a very valuable occupation.

Just in closing, Mr. Chair, I will say that one of the best decisions that this government has ever taken was to put the apprentices in the same system as the postsecondary system. What it's done is shown that the apprentices are truly equally as valuable as any student in the postsecondary system. Whether they're in medicine or teaching or an electrician, they're equally as valuable to the society of Alberta.

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

Dr. Pannu: Thank you, Mr. Chairman. I'm impressed with the minister's stamina, so I'll take advantage of this and ask him a few questions.

I was listening to the minister with rapt attention when he was talking about the investment in postsecondary education as being the best investment that any individual or family can make. I don't think there's any dispute over that. What we need to do is to find ways of encouraging more and more Albertans to in fact seek that opportunity and take advantage of it and develop policies that from this side, from the government side, will not only encourage but help students in fact fulfill their dreams and their aspirations.

There is some evidence around which says that while Albertans aspire to postsecondary education, they're unable to pursue those aspirations and turn them into solid expectations and plans. So we need to ask the question: where is there a place in this picture for public policies to come in and help students do that? Obviously, the current policies leave a gap there that needs to be filled. The point is: what additional policies are needed there? I'd like the minister to respond to that.

Related to that is the question of: it's the best investment because, you know, the returns on it are the highest of many other forms of investment. Being a former university professor, I used to spend quite a bit of time trying to get that message out and look at literature which, in fact, produced very sound and strong evidence done by economists all over the world, particularly from the University of Chicago, which is one school that neo-Liberals love to of course pay attention to. Economists of education did lots of studies and won Nobel prizes on investment in education and returns on it. What they did in this analysis was to look at it not just on the returns on investment that individuals make but the return to investment that societies make. So they distinguish between individual or personal returns and social or community returns to investment in education.

That data, that information, that research was used then to shape public education policies which led to a large investment by governments in postsecondary education. The point was that if you have more university- or college-educated students, if you have more apprentices with complete and practising trade papers in their hands they, first of all, have much higher levels of employment. They get salaries and wages and incomes which are much higher than their counterparts who don't have these papers, whether at the college level or the apprenticeship level, the trade level, or the university level.

What's so good about high incomes other than that it's advantageous to individuals? Well, from the government side it produces a

large number of people who have high incomes, therefore more taxes. So the government revenues benefit from it, which the government then can use to bolster other of its programs.

My question to the minister is this specifically. Has he commissioned some studies of his own or accessed some more recent studies on social returns to investment in postsecondary education which he can share with this House to either shed some light on the efficacy of decisions that are made with respect to this or in defence of his refusal to freeze tuition fees for our students, which would mean, obviously, increasing the social investment portion in the education of students who are in our postsecondary learning system, be they college, university, apprentices, or trades? That's my first question.

The Chair: The hon. minister.

Dr. Oberg: Sure. Thank you very much. To the hon. member, I am again in a little bit of an uncomfortable position in that I do agree with 75 per cent of what the hon. member has said. It would have been a hundred per cent except he added that last little phrase there.

Mr. Chairman, certainly, the hon. member is well versed in postsecondary education, is well versed in the university system. That certainly is evident.

There is no dispute between myself and the hon. member when it comes to the importance of postsecondary education or the value of postsecondary education or, I will say, the value of the investment in postsecondary education. From a government point of view – and this is purely biased, purely my own, from society's point of view as well but purely from myself – I think that it's absolutely the best place to put money in a government's budget. Some of my colleagues who have very important ministries as well tend to argue a little bit with me about that, but that's just my personal view on postsecondary education.

The direct question that the hon. member has asked is a very good one, and that is: have I commissioned any studies to look at the social and societal returns for a postsecondary system? The answer is no. The reason that I haven't is because I believe strongly in a postsecondary education system, and quite frankly I don't care if \$1 brings back \$8 or \$1 brings back \$9 or \$1 brings back \$12. I feel strongly enough that I don't want to waste money to do that. However, I equally feel that whether it's \$9, \$10, or \$12, it doesn't make any difference because it's still extremely important. The postsecondary education system is still the most important area that we can spend money on, and that statement is something that I will argue with anyone about.

The hon. member has talked about freezing tuition fees, and I've already stated in this Assembly my belief that a parent has responsibilities for their children to pay tuition fees. One comment that I have not made is that our universities right now are sitting at about 25th, 26th, and I believe 29th in the country, although I think that has even grown lower in the past as British Columbia universities have come up quite significantly in their tuitions in the last year. So we're sitting at about the middle of the pack when it comes to the tuition rates.

Interestingly enough, Mr. Chair, the government in Ontario recently froze tuition fees and received a great amount of publicity, but equally it has created a huge, huge amount of angst amongst the postsecondary school system, because at the same time that they froze tuition fees, they did not increase the amount of dollars to the same rate. So, in essence, what we're seeing in Ontario is a decrease, a cut to the postsecondary education system, and I think that that's going to be extremely detrimental to Ontario in the future. That's keeping in mind that they have also had a \$9 billion deficit

this year. So how the postsecondary institutions are going to survive is going to be very difficult.

4:20

I recently came from a day and a half of discussions with the British Columbia ministry, and they're extremely proud because they will receive \$105 million over the next three years in their postsecondary system. I didn't have the heart to tell her, Mr. Chair, that we had put in \$125 million this year alone to a smaller system than British Columbia has.

So when it comes to postsecondary education, we're seeing a very large increase this year. There was a large increase last year, albeit much of it came during the year. But it is something that I believe strongly in, and I feel that certainly one of the best ways we can spend taxpayers' dollars is in the postsecondary education system, including – including – the apprenticeship system.

As I've been minister, I have attempted to give as large an increase as possible to the postsecondary education system, and I will say – and this really, really needs to be said today – that the postsecondary education system absolutely one hundred per cent has responded to that call.

One of the biggest issues that we have in the postsecondary system is access spaces. I apologize to the hon. member for going on so long, but one of the best examples that we have is that we put out money for an expected 500 spaces in postsecondary education through the access fund. The universities and colleges and technical schools came back and told us: no, we don't need that much money for 400 to 500 spaces. Instead, we received 700 spaces. So the postsecondary system is just an absolute delight to work with, and they certainly have the interests of students in mind when they make their decisions.

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

Dr. Pannu: Thank you, Mr. Chairman. I was pleasantly surprised that the minister agreed with 70 per cent of what I had to say. I encourage him to undertake that study. If he had the facts at hand, real, solid, evidentiary facts at hand with respect to the kind of study that I'm urging him to do, I'm sure he'll come around to the other 25 per cent on my side as well, so long as he's willing to be led by facts and evidence, you know, rather than by something else.

His reference to Ontario is a very, very interesting one. Alberta and Ontario are in very different situations. Mr. Harris's Conservative government left the present government holding the bag with the \$5 billion of hidden deficit, which now you say has moved up to \$9 billion, so a very different situation. Comparisons there are I think somewhat out of place.

You also visited Ireland, I understand, over the last two months or so, just before the session started, and I haven't seen you make any reference to the experience of Ireland with respect to how they have dealt with funding postsecondary education and with the tuition policies in particular and how enormously – how enormously – that country has benefited from that smart commitment that they made to make sure that every citizen of school-going age at the postsecondary level had the opportunity, and the results are quite clear. There's something to be learned from that as a different kind of example.

Now, Mr. Chairman, the minister did talk about \$125 million more this year. When you create more spaces – and there are growing numbers of students who are in our colleges and universities and other places – more money is needed even to stay still; that is, in terms of the facilities that we provide. But I understand that in terms of federal transfers, most of which I believe are in support of postsecondary education, Alberta has received close to \$55 billion

or \$54 billion. Those are my numbers. I'm seeking confirmation of these numbers if you have that information with you.

Freezing tuition fees would cost \$40 million, no more than that. So there is for Alberta in particular an opportunity to consider taking the Ontario route. We often see ourselves as competing with Ontario as another economy, another jurisdiction in many ways, and here is one where I think we could perhaps try and do that. The study that was quoted in the House today and again last year, done by TD Bank, I think, Calgary-Edmonton Corridor, clearly indicated two things: that our high school completion rate needs to be improved – we are behind the national average – and, secondly, that our postsecondary participation rates are below other jurisdictions within the country that we compete with and perhaps outside.

When we're looking at the business plan and under Performance Measures, there are two things that I noticed here. One is under outcome 2.2, "High school completion rate of students within 5 years of entering grade 10." We don't have a Canada-wide figure to compare our numbers with. I wonder why. Is that information inaccessible? What's the reason for us not being able to compare our rates with that? The TD study certainly had some information. Why is there no information on Canada? In some other categories, you know, the (b), (c), (d) following that, there is some sort of Canadian benchmark.

The second thing that I was curious about is the high school to postsecondary transition rate, again under Performance Measures. I've been drawing attention to the absence of this performance measure in our business plans for some time, and I've been around now for seven years. Yet I still see that there's no start made on this. We say: new. I wonder why the minister didn't think it appropriate to perhaps use the numbers – I don't know how totally firm they are – from the TD study, which uses some of those numbers to draw attention to it. It is page 341 I'm talking about, the very last part of that page. It says, "High school to post-secondary transition rate" with no information on it, yet to be determined, under 2005-2006.

I find this quite curious, this absence of information, any commitment to measure ourselves in terms of performance on this very, very critically important aspect of the system performance of the learning system at that very important juncture where the transition takes place from high school to university.

Would you like to perhaps respond to those? I have two other important questions that I would like to ask.

The Chair: The hon. minister.

Dr. Oberg: Thanks, Mr. Chair. I'll start with the last one. The answer is actually quite simple. The hon. member did raise a point several other times when we have had estimates. At those times we had said that the necessity for this measure is actually the one student number, and we are just in the process of implementing the one student number. We started last September. Once that one student number is there, what we'll be able to do is follow through right from high school into postsecondary. So we will be able to track them.

What we haven't had the ability to do is actually track the students. We will be able to track the individual students. We will know now if student 53781 has gone into the postsecondary education system, and we will know accurately whether or not they have gone into the education system. So that is the rationale as to why that number is not there. We can track them through. What we had to do was go through the Privacy Commissioner. We had to do all of these other things in order to ensure how we could do it.

What I will guarantee to the hon. member is that the number that comes forward in '05-06 will be accurate, and it's going to be

something that's incredibly important. The hon. member has raised this on numerous other occasions, and again I find myself in a very difficult position saying that we actually took his advice on some of this. [interjection] Ah, God, say that it isn't so. But believe it or not, we actually listen on this side to some of the very important things. So that's what we're doing. That's the reason we don't have the number at the moment, and as soon as the number is there, it will be a very important number, but again it will also be a highly accurate number.

4:30

The other thing on the high school completion rates. I answered a question about this from the hon. Member for Edmonton-Mill Woods in question period, and at that time I suggested that we should have 100 per cent as the goal that we attempt to move towards. Unfortunately, each and every year I do have a fight with my department as they want to put an achievable number, but through to the hon. Member for Edmonton-Mill Woods I will say that I'm gradually, gradually winning the battle on that one.

The Canadian standard on completion rates. I can't answer right now as to why it isn't in here. I can't answer what the difference is. I will certainly look at that. I do believe that the information is being collected in other provinces, but it may be collected in a different way. I just can't answer that right now, so I will put that as an undertaking to give that answer to you, especially as to where exactly we sit.

A couple of other points, just starting from the top. Ireland was an interesting country when I was over there. I attended as the leader of Canada's delegation to the OECD. Although I didn't get much chance to actually talk to the Irish minister, as there were some 45 or 50 countries present, it is a country, in talking to some of the people around, that has been very interesting. It used to be called the Celtic Tiger. The issue is, though, that apparently the unemployment rate is starting to come back up.

The other interesting point is that Ireland had a great deal of European Economic Community money, EU money being put into Ireland when it joined the European Union. That being said, I think they did invest very wisely, and they saw a huge increase in their economy, a huge increase in what was happening in Ireland. It's my understanding that that has levelled off and, indeed, may be stagnating. So they're going to have to take a very serious look at what they're doing as other countries increase their education rates as well.

One of the interesting comments that I will make to the hon. member is that when you look at what we have done – and there's an interesting study that just came out about two weeks ago. It showed according to socioeconomic status the number of students that attend university. What has happened in Alberta over the last 20 years is that the number of high economic status students has gone down quite dramatically. The number of lower socioeconomic students has increased by around 25 per cent from 20 to 24 per cent of the total, and the number of middle socioeconomic status students that are going to university has increased equally as well. We have seen the shift from the lower socioeconomic class, the middle socioeconomic class, and the other classes improve. So that's the direction that we want to go.

I think you're probably in the ballpark with the \$55 million. I can't say for sure if that's exactly what we've received. Put that in perspective though: \$55 million out of \$1.3 billion. We spend \$1.3 billion on postsecondary education in Alberta, so \$55 million, albeit very important, is a pittance compared to what we actually ultimately spend on postsecondary education.

The \$40 million for a tuition freeze. Again, Mr. Chair, I feel that

I need to increase the amount of money that goes to universities and postsecondary institutions, and this budget shows that we have indeed done that. Equally, I feel that there is an obligation on behalf of students, on behalf of parents to pay for some of their own education, and that's something that we followed through. We are attempting to limit it to a reasonable increase this year, and I may be a dollar or two out, but I believe that the maximum amount of increase was \$274. Again, to put that into context that we can all understand – and maybe I don't understand it – 27 packages of cigarettes was the increase to tuition this year in Alberta, the maximum allowable amount.

Postsecondary participation rates. Yeah, that's an interesting one; right. What we've seen in Alberta is a very hot economy over the past eight or nine years. What we're finding out is that a lot of students have elected to go into the oil patch, for example, where there are jobs. Rather than going into the postsecondary system immediately, they've jumped into the oil patch. Unfortunately, many of these students are not returning to the postsecondary system.

I think that when you take a look across Canada – and I may be wrong on this – I believe that one of the highest percentages of participation rates is actually in Nova Scotia. One of the rationales for that is that their economy has not been that hot, and indeed students who have come out are faced with two situations: either, one, no job or, two, going to university. [interjection] Ontario? Okay. Those are certainly some of the situations.

The point that I will bring up, though, is that Alberta has the highest number of university graduates of any province in Canada. I believe the number is around 55 per cent of the working community has a postsecondary diploma or degree.

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

Dr. Pannu: Thank you, Mr. Chairman. I have two more questions for the minister that I must ask. We'll see what happens then.

I was looking at the budget estimates here. This is again the business plan book, page 347. At the bottom of that table there's a star after Total Program Expense. Did you get that line? Then there's a footnote underneath which explains that the "total program expense includes the province's cash payments towards the unfunded pension liability" – I don't know what the amount is for this year – "(which will be eliminated under a separate legislated plan)." When is that plan forthcoming? I understand that some sort of negotiations are underway with the ATA, but there's no provision in this particular budget in anticipation of an agreement being struck with the ATA on this issue. So if the minister would shed some light on that first, and then I have a second question.

The Chair: The hon. minister.

Dr. Oberg: Thanks, Mr. Chair. This is in reference to the agreement that has been in place for about 12 or 14 years where we have assumed two-thirds of the existing unfunded pension liability of the teachers.

Dr. Pannu: On the actual fund; right?

Dr. Oberg: Right. We're now putting in about \$130 million dollars. So this is apart from the teachers' portion of this, which is running in the \$60 million to \$65 million range. The agreement that was struck proposes that the unfunded pension liability will be paid off in I believe the year 2060.

The other issue – and this is a very important issue when it comes to the unfunded pension liability – is that the liability is predicted to

increase over that time frame to \$18 billion before it starts to go down. So there certainly are some issues.

With regard to the unfunded liability for teachers the ATA and the Alberta School Boards Association are in talks about this exact issue as we speak. There has been nothing forthcoming, but I will say, Mr. Chair, that I will be one of the happiest learning ministers in Canada if I can come forward at some point in time and make some announcements about that.

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

Dr. Pannu: Thank you for your kindness, Mr. Chair. My next question to the minister has to do with the allocations to boards from this budget. I'm glad to hear from boards – and the minister has been hearing this too – that the new funding formula is being received well across the province by all kinds of jurisdictions which are very different from each other in many ways, which is good news. The use of this formula, of course, translates into the number of dollars each school board gets and the funding profile that develops from it.

4:40

Will the minister share this information with us, and how soon can he do this so that we don't hear competing claims on how much money a school board is getting, how much more money this year a school board is getting than last year, and whether or not that money is enough for them to retain a few teachers that were hired back last January or whether or not they are going to be doing anything at all by way of taking steps to increase the number of teachers within the school system in order to move towards reducing the class size towards targets which the minister himself must meet over the next four or five years? The chair of the Learning Commission, Pat Mackenzie, herself has publicly expressed both frustration and disappointment at the allocations and the confusion around the additional dollars that school boards are getting.

So to come to the point, can we get that information for each school board with respect to the additional total money? We'll figure out how much more money is there this year as compared to last year. Secondly, some sort of funding profile for each school division.

The Chair: The hon. Minister of Learning.

Dr. Oberg: Thanks, Mr. Chair. I certainly have the funding profiles. One of the issues that is out there quite simply is there are negotiations with the teachers and with other unions that are ongoing, and there has been a request that we not share the profiles. Each individual jurisdiction has their own funding profile, so they all have their own funding profile.

To give an example, the amount of funding – and I'll use Edmonton public as the example – for Edmonton public prior to our November announcement where we added in the dollars was \$454,376,760. After the November announcement where we saw the annualized \$90 million put in, it went up to 461 and a half million dollars. Under the new framework, without any other increases at all, Edmonton public will receive between \$3 million and \$4 million extra.

There are a couple of assumptions that I want to point out here. If we assume in Edmonton that there is no enrolment change – so it's the same number of students this year as last year – what you see in Edmonton is a 5 per cent increase, which is very close to a little over a \$22 million increase that has been given to Edmonton public. Again, these are not the figures that they have given us. This is the

assumption that the enrolment is flat. If we use their numbers that they have given us, what we see is a 4.9 per cent increase that has been given to Edmonton public. So around I believe – my math isn't that good right now – a little over a 21 and a half million dollar increase is what has been given there.

I do have some problems with some of the media items that have been out there lately regarding the number of dollars that they have received. Indeed, I have been in touch with the people at Edmonton public, and they say that absolutely they will be hiring more teachers.

To put that in perspective, Mr. Chair, Calgary public, which is another major board, obviously, in the province, is going to see an increase budget over budget of around \$36 million, a huge amount of money. Their budget is going to be going up around 6 per cent. One of the reasons for this is that they have seen an enrolment increase. The other reason is that the new funding formula recognizes some of the issues that Calgary public had and subsequently has rewarded them.

Those are the numbers. There is \$192 million directly that goes to school boards in this budget.

Is there some misunderstanding out there? I think there is. I've had a very long conversation with the president of the ATA about this as well, and both of us want to get out the actual exact numbers. We're still looking at whether or not we publish the total funding reviews that are out there for all the school jurisdictions, but that's up in the air at the moment. A decision hasn't been made on that.

Dr. Pannu: Further to the same question, Mr. Chairman, it's not the media numbers that I'm talking about. I'm talking about school boards' own releases here. So I hope you correct yourself in attributing any disputed numbers only to the media reporting. You talk about \$21 million for Edmonton public; they're talking about \$13.4 million at most. In that, they include the \$9 million that they received in January to hire back some teachers, and their claim is that they won't be able to retain, much less hire, many new ones given their numbers.

The reason why it is, I think, appropriate for this House, too, to have those numbers is so that we don't have to go back and forth between the media, the minister, the school board, and the ATA. As legislators I think we need to have the information that the government has at least so that we can make up our own minds and not be led by five different people talking about five different things about the same numbers. What's the problem with that, I'm asking, and why won't you release that?

Dr. Oberg: Again I'm in the uncomfortable position of agreeing with the hon. member. I agree with you. As I mentioned earlier, I'm a strong believer that transparency is the most powerful political tool that there is, and I will endeavour to have all the funding profiles tabled in this Assembly before the Assembly closes down. I'm presently in some discussions with some of the school boards about this exact issue, but I will endeavour to table all of the profiles in this Assembly before it closes down this year.

The Chair: The hon. Member for Edmonton-Mill Woods.

Dr. Massey: Thank you, Mr. Chairman. I'd like to follow on with that if I may. One of the pieces of information that I asked for last year and haven't received was the assumptions on which the budget is built. Rather than going to the school boards, I wonder if the minister could share with us the assumptions that are built into the budget about teachers' salaries – what numbers do you build in? – about the different categories, the assumptions about principals and

phys ed teachers and substitute teachers, the numbers of students in classes, what schools should need for resources.

It seems to me that the impression that's left is that the budget-building process hinges on people saying that it should be 3 per cent, that it should be 5 per cent, that it should be 10 per cent. I mean, we get these differing views of what it should be, and then the government tries to play this game of trying to come down someplace that won't cause too much grief. But it is never really related to the costs that schools and school boards are going to be faced with paying. I wonder if the minister might comment upon that.

The Chair: The hon. minister.

Dr. Oberg: Certainly, Mr. Chair. One of the issues that we had when we brought in the new funding formula, which took us about two to two and a half years to actually do, one of the huge discussion points was the actual price and cost of teachers. We debated and debated and debated how exactly to do that, whether we put the exact price of what it costs a particular jurisdiction, remembering and recognizing that that changes year to year, or do we not build in any costs for those jurisdictions that have higher priced teachers than the other ones?

With representation of everyone around the table – we had probably 25 to 30 people in the room from all the educational partners – it was decided that we not put in the formula anything to do with teachers' salaries because the school boards felt that they did have some ability to move that and that it should not be put in the formula, recognizing that it doesn't necessarily mean that the money has not been put in. In essence, it goes into the basic per student grant.

The other issue that I believe the hon. member has asked is: do we just simply take it from 3 per cent and say that the system needs 3 per cent or 2 per cent or 4 per cent this year? The answer is no. We have gone away from that, and indeed five or six years ago that is the way it used to be done. What we're looking at now – obviously, volume is something that's a very real number. It's a very concrete number that is built into this formula.

4:50

On the disabled side we look specifically at volume, and we also look at the amount of increase that is needed in the severe disabilities. One of the things we've been concentrating on, for example, which I'm very proud of, is bringing the severe behavioural disabilities up to the same level as the severe physical disabilities, and this will be the first year that the two have actually balanced out and are exactly the same.

We've also taken a look at English as a Second Language in the funding formula. Again, these are needs that are out there for the school system. We've dramatically increased those dollars up to a little over \$1,600 per ESL student. To put that in perspective, hon. member, about two years ago or three years ago it was down at around \$550. So we've seen it almost triple, and again this is recognition that the costs of an English as a Second Language student are considerably higher.

I'll give you another example: the outreach schools. It used to be that these outreach schools were funded purely on the per student basis, and simply by having an outreach school, bringing more students in, they actually received more funding. Well, what we've done this year, as well, is we've added an extra \$52,000 for each and every outreach location. We've recognized that the cost of an outreach school is more expensive. It cannot necessarily be a straight extrapolation from a high school that has 1,500 students to an outreach school which has 50 students, but the importance of the

outreach school cannot be overstated. So we have added in a \$52,000 per location grant for that.

We've added in small board administration costs. We've added in jurisdictional declines or increases in enrolment. So if your jurisdiction experiences an unwarranted decline, a sudden decline in enrolment after September 30, then that is now recognized. The same thing occurs for an unexpected growth in number of students, and we've added in extra dollars for that.

We've looked at northern allowance. We've looked at aboriginal students. We've built in socioeconomic status. So I think it's overly simplistic to say that we quite simply took the number and went from 2 per cent to 3 per cent to 4 per cent, et cetera. There are a lot of wide variations in this new funding formula that we have put in, and again it is an attempt to rationalize what we do with the system and rationalize how the dollars are distributed out to the school boards.

Do we have it perfect? Probably not. I'd love to be able to say that we have the perfect formula, but it's taken us three years to get to this point. Are we going to have to change it again? We may well, but I think that this is as close to a perfect formula as there exists in Canada today. I would love to be able to say that I sat down and worked it out all by myself and came up with this formula, but I can't. This was truly a collaborative effort by all departments in education in order to put this funding formula out. I really must stress that it is not simply taking a base number, adding in 3 per cent or adding in 4 per cent and saying: that's enough. It's showing where these dollars are going. It's distributing it on an equitable basis as opposed to an equal basis, and I think we've hit it about as well as we can.

The Chair: The hon. Member for Edmonton-Mill Woods.

Dr. Massey: Thank you, Mr. Chairman. I'd like to go at that again. I agree with the minister, and the government has I think done a good job with equity. I think they took the money in and decided to redistribute it on a per pupil basis. They eliminated the huge differences that we had with respect to geography.

If you look at the literature on school finance on the continent, 10 years ago everyone was trying to address equity. But it seems to me that the whole field of school finance has moved past equity and is now really addressing the question of adequacy. That's, I think, a whole new area. I guess that my question to the minister is: how do you assure that the per pupil grant, whatever it is, is adequate to pay the costs that school boards face in trying to deliver programs?

The Chair: The hon. minister.

Dr. Oberg: Yeah. Thank you. That's a very difficult question the hon. member has just asked. One of the things that we rely on to a very large degree is the expertise of the school jurisdictions on how they allocate the resources that are available. I'm just attempting to do a little bit of math here, and if you would bear with me for about two seconds, I'll have something for him. No, I won't because my calculator isn't big enough. It only goes to eight digits.

Dr. Massey: Don't rely on technology.

Dr. Oberg: That's right.

The point that I'm making is that when it comes to funding a class, if you take a class of 25, that class of 25 is getting now, probably, around \$7,400, \$7,500 per student. So you're looking at a huge amount of money that is being put in per class.

I in no way – I in no way – would say that every class is a class is a class. That absolutely is not true, and I don't think anyone has said

that for years. The issue comes down to: when we allocate that money, we depend on the school jurisdictions to put that money in the place that they see fit. There are some classes that may have five or six; there are other classes that may have 35 or 40. It is up to the school jurisdiction on how that is given out.

With regard to the adequacy there have been a lot of attempts made to see exactly what adequacy is. I think you've got to recognize that there are a huge number of wild cards in this. For example, do you use the average teacher's salary in Canada, in which case there would be much more than adequacy here? Our teachers are paid considerably higher than anyplace else in Canada on average. So there are a huge number of issues when it comes to the actual adequacy.

When it comes to equity and how it is distributed, we do that in what I believe is as fair a manner as possible. When it comes to an actual number to put down and say that each student must have \$7,363.27 in order to have the best possible education system, I won't buy that, because it's impossible to do. A student is not a student is not a student. Every student is different. Every student has different needs. Every student has different resources that should be put towards that student. That is why we have school boards. That is why we have professionals out in the school jurisdictions to decide how those resources are spent.

My job as the Minister of Learning is twofold, and I think that this warrants speaking about. First of all, I'm an MLA, and I have to be responsible and accountable to my taxpayers as to how their tax dollars are being spent.

Second of all, I am the Minister of Learning, and I attempt to get as many dollars as possible within that context for the learning system and to ensure that the learning system dollars are spent – are spent – in the best possible fashion. When I see 5 per cent increases to school jurisdictions, when I see across Canada that British Columbia, for example, is at zero per cent for three years, when I see the amount of dollars that I've put into the education system, it astounds me.

The point that I will make: can I actually, scientifically sit down and say that this is the adequate number, that this is the scientifically proven number that should go in? I can't, and I don't think anyone in budgeting can. I don't think that number has ever been arrived at. Even if there were a number that was arrived at, I would have severe difficulty in agreeing with it, because I'm a firm believer that you have to individualize school programs, that the individual has different resources that are needed for each one.

Mr. Chair, the question is a good question, but the reality of it is that it's simple to say: look for the adequacy. What is the magic number? In reality, it's almost impossible to come up with the magic number.

The Chair: The hon. Member for Edmonton-Mill Woods.

Dr. Massey: Thank you, Mr. Chairman. Well, just to pursue it a little further, Mr. Minister, in a number of American states the literature is filled with adequacy. There have been three or four, at least, different schemes of trying to arrive at adequacy. You know, they've used expert panels going in and saying: here are the programs that the government wants delivered; if you have an average elementary school, this is what you might expect. Others have gone to very successful school districts and said: what kind of resources did they put in to achieve those kinds of results? They've really, I think, focused on the outcomes and said: this is what we want.

5:00

If you look at Wyoming, for instance, one of their outcomes is that every graduate of the high school system will be eligible for a

postsecondary program. It may just mean, you know, a program at some sort of a skills college; it could be a vocational program; it could be a university program. But when they leave those school districts, they must be eligible for further education. So they've approached it that way.

If you look at places like Maryland, they've gone to 28 measures of what they want those youngsters to be able to do when they leave school. So the adequacy has gone sort of backwards. They've started at what we want youngsters to be able to do, what the graduates will look like, and then what kind of programs do we need in place to make that happen, and then what will it cost us.

And it is hard. I mean, I agree with the minister: there's no easy answer. I don't pretend to be any expert in educational finance, but I suspect that the impetus was court action, that parents went to the courts in a number of states, 20 at least, and said, "My youngster is not being provided an adequate program," and that's opened up the whole can of worms in terms of adequacy.

I think that at some point all the arguments about whether it's enough or whether it's not enough would be dissipated when there is something the government could point to saying: "Look. These are the programs we want delivered, this is what we want youngsters to be able to do when they leave this system, and this is what we are going to fund. You have a school; you need a librarian for every 300 youngsters; you need a counsellor for every 200." I mean, they've gone at it in a variety of ways, and I think that it may not be now, but I would predict that somewhere down the road in Alberta we'll be addressing adequacy because it does seem to be a growing movement.

Dr. Oberg: You guys are going to get sick of hearing me today. I'm going to start losing my voice.

Mr. Chair, the point that I will add: when it comes to enough or not enough, the single biggest wild card in that is salaries. Quite simply, if we were to say enough or not enough, what we would have to do is we would have to be able to say: "Here is what the salary increase is this year. Here's what the salary increase is next year."

I'll use specifically the 14 per cent salary settlement that we saw as an increase to teachers' salaries. What we did not anticipate and we would never have anticipated even if we had an adequacy formula that said enough or not enough – we would never have anticipated a 14 per cent teachers' settlement. That teachers' settlement was retroactive for a year and a half, which was the single biggest expense in the education system.

The other point that the hon. member has brought up is outcomes, and I'm not saying that just because someone has 20 outcomes – well, we actually have 52 outcomes, which is something that we'll be reporting on in the November report card back to the constituents. We've been working on this for about three and a half years.

I do not believe that the system should be measured on input costs. I do not believe that the system should solely be measured on how much you spend, and if you spend more than another system, you have a better system. That's absolutely not true.

However, I do believe that we need to watch outcomes, that we need to focus on outcomes, and that's one of the situations that we've addressed over the last three and a half years. We are getting to the end of it, and hopefully it will be out here in November. You saw part of this outcome indicator in the February questionnaire that went out to parents, teachers, and students.

The other issue, though, that I really take offence with – I don't take offence with the hon. member, but I take offence to the assertion that you can actually say that you have an average elementary school. You know, I have yet to go to a school and say: okay; well, this is an average school. Do you know what answer I get back?

"No, no, we're not average, because we've got this, this, this; we've got this, this, and that." I challenge the hon. member to actually find an average school.

I'm a firm believer in individualized lesson plans and individualized education, and the average component just realistically is not there. From my department's point of view I do not want to spend a lot of time and resources to determine a number such as the average school. To me that's just money that's very, very poorly spent.

Dr. Massey: Well, you know, that's fine, Mr. Minister, but you do put out a per pupil grant, and I'm sure that that per pupil grant doesn't fit every youngster in a particular school. I don't think you can have it both ways. You can't base the system on a per pupil grant and then – you know, the experience elsewhere was that they looked at what they would like for an ideal as a basis for distributing money, and that's what you do with the per pupil grant. You use it as the basis for distributing money across the province or at least in part.

If I could just change because the time is running out. I have a couple of questions about postsecondary education, Mr. Chairman, if I might. One of the pleas that the students have been making is that there be an increase in the living allowances for the student loans program and also that the parental contribution be looked at and the role that that plays in students getting or not getting or only getting partial financing through the students finance program.

The other was their proposal with respect to the remission program. I'm sure the minister is aware of it. "The program would better serve Alberta students" – and I'm quoting from one of their publications – "by allowing those who have less than \$5,000 in debt per year to have a portion of their debt remitted as well."

Of those three proposals that the students have made, it seems to me that the most urgent one is that cost of living one. If you come to this city or Calgary and try to live on those allowances, it's really difficult.

Dr. Oberg: Yeah, certainly. Actually, there are two ways I want to answer this. First of all, when we look at the cost-of-living adjustments that are in the student loans, we attempt to look at what is called, I believe, the agricultural market basket or something along those lines. It's what is actually used. So there is a scientific basis to it. We are, however – and we're just getting the data to do this. I've asked my department to start giving out student loans, and we will be adjusting it. It won't be this year but probably next year.

In conjunction with Economic Development we have actually looked at the cost of living and the cost of expenses in the various communities around the province to address the issue that you just brought up. Realistically, a student in Brooks, Alberta, has different basic living costs than someone in Calgary going to the University of Calgary or someone in Fort McMurray. It's been an element of attempting to get these numbers, getting good comparative numbers. We do have these. We're in the midst of getting those now, and that will be brought out when it comes to the living expenses. I think that that's only fair.

The interesting point that we've looked at is that there is a significant difference. You know, there can be up to a 15 to 20 per cent difference just in the cost of living, the cost of eating in some of these communities. So we will be incorporating that into our student loan program, and again that will be the first in the country.

The other issue on the remission side and why we picked \$5,000 is quite simply because often that's the federal government's component of it. We're not going to remit on behalf of the federal government. The federal government has no remission program.

Quite simply, the dollars that are borrowed from the province the majority of times by far the majority of the dollars are given back to the students. We're not going to remit dollars back to the student that the federal government has given them and demanded to have back. I encourage the federal government to go to a remission-type program. It has served us very well in the province and will continue to serve us well. Unfortunately, they haven't done it.

I'll just add one other plug, Mr. Speaker, and I answered that in a question today. Prime Minister Martin has talked about raising the student loan limit. It will be the first time in 10 years that the student loan limit has been raised on the federal side. We in Alberta have been the only province in Canada that has raised it each and every year and will continue to raise it.

5:10

Dr. Massey: I guess it was the third question that I had about parental contributions, if that had been addressed.

Dr. Oberg: Yes, that was one question. Parental contributions is something that I get a lot, and I get it from two different sources. I get it from the source where parents just absolutely won't give any money to their students, where they have said: listen; you as my daughter or my son are completely on your own. What we've done is that through the appeals committee they can appeal that. If the parents actually sign these affidavits that they bring into the appeal committee, the majority of the appeal committees are won on that behalf, where the parent shows that they absolutely categorically refuse to put in any money towards their child's education. Personally I think that's deplorable; I think it's horrible. But some parents do that, and we have taken that to appeal and the student has overthrown that.

The other side that I get it from is those parents that are in the \$50,000 to \$60,000 range with more than one child. Again, the appeal committee looks at each individual circumstance if they want to appeal. If you have specific students with student loans and they want to appeal the amount, it's a very good way to do it. If the facts are at all legitimate, the appeal committee on the student loan program tends to be very lenient on some of these appeals. So that's what I certainly would encourage.

Those are the two extremes that we get on parental contributions. On the one I have empathy for the student, but absolutely no sympathy for the parent. On the other one I think I do have empathy and sympathy for the parents, and we attempt to accommodate that as best we can.

The Chair: I hesitate to interrupt hon. members and the flow back and forth, but pursuant to Standing Order 58(5), which provides for

the Committee of Supply to rise and report no later than 5:15 on a Tuesday, Wednesday, or Thursday afternoon, I must now put the question after consideration of the business plan and proposed estimates for the Department of Learning.

Agreed to:

Operating Expense and	
Equipment/Inventory Purchases	\$3,799,734,000
Nonbudgetary Disbursements	\$142,500,000

The Chair: Shall the estimates be reported?

Hon. Members: Agreed.

The Chair: Opposed? Carried.

The hon. Deputy Government House Leader.

Mr. Zwozdesky: Thank you, Mr. Chairman. It's been an exciting afternoon of debate, and I would now move that the committee rise and report the estimates of the Ministry of Learning.

[Motion carried]

[The Deputy Speaker in the chair]

Mr. Johnson: 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.

Learning: operating expense and equipment/inventory purchases, \$3,799,734,000; nonbudgetary disbursements, \$142,500,000.

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

Hon. Members: Agreed.

The Deputy Speaker: Opposed? So ordered.

The hon. Deputy Government House Leader.

Mr. Zwozdesky: Thank you, Mr. Speaker. That having been said and given the proximity to 5:30, I would move that we would call it 5:30 and adjourn until Monday at 1:30 p.m.

[Motion carried; at 5:15 p.m. the Assembly adjourned to Monday at 1:30 p.m.]

