

Legislative Assembly of Alberta

Title: **Tuesday, May 4, 2004**

1:30 p.m.

Date: 2004/05/04

[The Speaker in the chair]

head: **Prayers**

The Speaker: Good afternoon.

Let us pray. We give thanks for the bounty of our province: our land, our resources, and our people. We pledge ourselves to act as good stewards on behalf of all the people of this province. Amen.

Please be seated.

head: **Introduction of Visitors**

The Speaker: Hon. members, I'm honoured today to introduce you to a group of 15 former Members of Parliament from British Columbia, Alberta, and Saskatchewan. They're attending the Canadian Association of Former Parliamentarians' regional meeting here in Edmonton, and they are in the public gallery. So let me introduce them, and if they represented a riding in Alberta, I'll give you the name of the riding in Alberta. If they're from outside Alberta, I'll identify the province as well.

Now, we're all parliamentarians, so I'd appreciate it if we could withhold the applause until the end because of the competitive nature – okay? – and we'll ask them all to do it at one time. First of all, the Rt. Hon. Don Mazankowski, Vegreville; the Hon. Jack Horner, Acadia; the Hon. Nick Taylor, Senator; Mr. Douglas Rowland, representing the constituency of Selkirk in Saskatchewan; Mr. Clifford Breitkreuz, Yellowhead; Mr. John Browne, Vancouver Kingsway; Mr. Cliff Downey, Battle River; Mr. Norval Horner, Battleford-Kindersley in Saskatchewan; Mr. Bill Lesick, Edmonton East; Mr. Willie Littlechild, Wetaskiwin; Mr. Bob Porter, Medicine Hat; Mr. Jack Shields, Athabasca; Mr. John Skoberg, Moose Jaw in Saskatchewan; Mr. Walter Van De Walle, Pembina; Mr. Bill Wright, Calgary North. They are accompanied by their partners as well as Mrs. Susan Simms, assistant to the president, and George and Myra Letki.

Hon. members, later in the day one of our own, the hon. Member for Edmonton-Rutherford, who is a member of this group, will be joining with them as they participate in their regional meeting of former parliamentarians.

So I'd ask them all to rise and receive the warm welcome of the House.

head: **Introduction of Guests**

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

Mr. Hancock: Thank you, Mr. Speaker. Each year one student from every Alberta high school receives the Premier's citizenship award in recognition of their contribution to the community through good citizenship, leadership, community service, and volunteering. From this group of very special students the five most outstanding individuals are then selected to receive the Queen's Golden Jubilee Citizenship Medal and, along with that, a scholarship of \$5,000, which they may use towards future education or development.

Mr. Speaker, this afternoon I and some of my colleagues had the pleasure of meeting these young men and women along with their parents during a special luncheon hosted by Her Honour the Honourable Lois Hole, Lieutenant Governor of Alberta. During the luncheon we had an opportunity to talk with each of them, and I'm sure my colleagues would agree with me that they are truly exceptional individuals and deserving of the award.

Mr. Speaker, among the Queen's Golden Jubilee Citizenship Medal recipients for 2003 are Samantha Saretsky from Lacombe composite high school in Lacombe, Alberta. Samantha is accompanied by her parents, Tony and Marilyn Saretsky. She is currently attending the University of Saskatchewan, or was until about the end of April, in political studies. She was joined today by the hon. Member for Lacombe-Stettler, the chair of the Standing Policy Committee on Justice and Government Services.

We also have Laura Abday from Edmonton's Jasper Place high school. She is currently attending the University of Alberta in atmospheric sciences. She was joined today by the hon. Member for Edmonton-McClung, the Minister of Economic Development.

We have Evan Wisniewski from Hairy Hill, Alberta, graduating from the Two Hills high school. Evan is here with his parents, Orest and Rosemarie Wisniewski. He is studying engineering at the University of Alberta. He was joined today by the hon. Member for Vegreville-Viking, the Minister of Transportation.

We have last but certainly not least Wilma Shim from Archbishop MacDonald high school here in Edmonton, someone who, I'm pleased to say, Mr. Speaker, is here today with her parents, William and Dr. Margaret Shim. The Shim family live in Edmonton-Whitemud, and as their MLA I couldn't be happier about Wilma's achievement in winning this prestigious award and scholarship. Wilma is attending the University of Calgary in kinesiology.

Unfortunately, the fifth recipient, Michele Romanow from St. Mary's high school in Calgary, was unable to attend this afternoon's luncheon, but her MLA, the Member for Calgary-West, joined us for lunch as well.

I'd ask these four outstanding young Albertans to rise in your gallery, Mr. Speaker, with their families and receive the traditional warm welcome and appreciation of this Assembly.

The Speaker: The hon. Minister of Children's Services.

Ms Evans: Thank you, Mr. Speaker. It's a real honour today to introduce special guests from Jean Vanier elementary school in Sherwood Park. There are 27 students, two teachers, and two parents here today. Vicki Whalley and Linda Murphy are the teachers, and Pat Lemire and Suzanne Biamonte are here with the students. I've met with them. They've had their picture taken, and they're enjoying the tour of this beautiful building. I would ask now that they rise, please, and that we give them the worthy recognition of which they are so deserving.

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

Mr. Horner: Thank you, Mr. Speaker. It's my pleasure to rise on behalf of my constituency and my colleague the hon. Minister of Seniors, the Member for Stony Plain, and introduce to you and through you to members of the House 36 visitors from Parkland county. These students and parents are the Parkland Home Educators and are here today to tour and observe what happens here at the Legislature. The students are accompanied by parents Mrs. Margaret Doige, Mrs. Janice Freund, Mrs. Glenda Foster, Mrs. Marie Tutt, Mrs. Nancy Gammon, Mrs. Janet Sawatzky, Mrs. Darlene Taras, Mr. Willy Freund, Mrs. Tami Garside, and Mrs. Carol Preston. I believe they are in both galleries, and I would ask that they rise and receive the traditional warm welcome of the Legislature.

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

Mr. McClelland: Thank you, Mr. Speaker. You have already

introduced Mr. Willie Littlechild, but perhaps members and those joining us in the gallery would be interested in knowing that Mr. Littlechild has been given a singular honour in being Canada's – I believe that it's Canada's, but it could be the United Nations – representative for aboriginal peoples. Mr. Littlechild, if you would stand and receive the recognition of the House for that honour.

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

Dr. Pannu: Thank you, Mr. Speaker. It gives me a great deal of pleasure to introduce to you and indeed to all members of the Assembly Peyman Razavi. Peyman is a recent graduate of the University of Lethbridge. He has a bachelor's degree in management, and he is here this afternoon to observe the proceedings of the Assembly. Peyman Razavi is seated in the public gallery, and I would ask him to rise and receive the warm welcome of the Assembly.

head: 1:40

Oral Question Period

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

Automobile Insurance Reform

Dr. Taft: Thank you, Mr. Speaker. On December 3 last year the Premier said that he'd consider his government's auto insurance plan, quote, an absolute failure, end quote, if it failed to reduce premiums for 80 per cent of Alberta drivers. Unfortunately, the plan currently before cabinet does not save money for 80 per cent of drivers. My questions are to the Premier. Why is the government considering an auto insurance plan that by the Premier's own definition is an absolute failure?

Mr. Klein: Mr. Speaker, first of all, the hon. leader of the Liberal Party is not telling the truth again. There is no document, as far as I know, before cabinet, and I would be the first to know. So that statement is misleading, and before he proceeds, I wish he would stand up and apologize for saying that there is a government document before cabinet, because that is not true.

Mr. Speaker, the regulations surrounding the government's auto insurance reforms are still working through the approval process. As I understand it, it was at a standing policy committee, which is not cabinet, last night. So I can't comment on the speculative media reports about what will or won't be approved. I can tell you that I've heard third-hand – and this is media scuttlebutt. The report that the hon. member alludes to was not a government report. That is being reported by one media outlet. Another media outlet said that it is a government document.

Perhaps the hon. minister can shed some light on the situation.

Mrs. Nelson: Mr. Speaker, the hon. Leader of the Opposition has made some bold statements about the path that we're going on for reform of automobile insurance in the province of Alberta. I hope you'll give me the latitude on this.

Let's be very clear. When we started this process, we recognized that we needed to have a fair, accessible, affordable, and comparably priced insurance package within this province. We also recognized that there were spiralling costs that were being incurred last year by people who were purchasing insurance, and to make a long story short, some of the people in the province were not doing that.

So the path that we have gone down is to bring a new structure into Alberta that will bring down insurance premiums so that they are in fact affordable. The process we're into right now is going

through the regulations to back up the legislation that we've already passed in this House to support this structure.

The Speaker: The hon. leader.

Dr. Taft: Thank you, Mr. Speaker. Why under this government's plan will most good drivers be locked into the highest insurance rates in Alberta history?

Mr. Klein: Mr. Speaker, first of all, there is no plan. As I say, no decisions. I would ask the hon. Leader of the Official Opposition to listen very carefully: no decisions have been made about the detailed regulations. No decisions. It has not been to cabinet. It is working its way through SPC. I don't know about the document that was reported in the media, but I will say that it is absolutely premature to be talking about the government breaking its promise. In fact, we don't intend in any way, shape, or form to break our promise.

The reforms, quite simply, are based on personal responsibility. Good drivers will pay competitive rates, and bad drivers will pay more. Our basic goal with auto insurance reform is to have premiums that reward good drivers, penalize bad drivers, as it should be, and provide fair compensation for those who are injured in traffic accidents.

Again I'll have the hon. minister supplement.

The Speaker: No. We're spending a lot of time here.

The hon. leader.

Dr. Taft: Thank you, Mr. Speaker. Well, here's a plan the government could adopt. Why won't the government do what the Alberta Liberals and the vast majority of Albertans want and simply bring in public auto insurance?

Mr. Klein: Mr. Speaker, as I've said before in this Legislature, we subscribe to the policy of entrepreneurship and free enterprise, but we do know that there is a problem relative to a privately operated regulated industry, and we want to make that industry more responsive to, first of all, the needs of those in small to medium businesses that have a hard time hiring young drivers because of rising insurance premiums. We want to be able to be in a position to have insurance companies recognize that just because a person is a male between the ages of 16 and 25 doesn't necessarily make that person a bad driver and that therefore good drivers in that age bracket should be rewarded. We don't want to penalize those in the mid brackets, but we want to make sure that older drivers, male drivers in particular over 65, are not penalized because of age and because of gender. We don't think that that is fair.

Mr. Speaker, I have asked this hon. member and the hon. Member for Edmonton-Highlands to table in this Legislature their insurance premiums for this year and last year and the previous year and also what they would pay in Saskatchewan. I would be very, very happy to table what I pay right now and what I would pay in Saskatchewan and what I would pay in Manitoba and what I would pay in British Columbia. I find that within a dollar or two or maybe 10 it's ostensibly the same.

Government Aircraft

Dr. Taft: Mr. Speaker, only last week the Premier said, "All flight manifests are kept, and any member of the public is welcome to view them." But since 10 a.m. last Friday this government wants Albertans to wait months, maybe forever simply to find out how the Premier, ministers, and their staff are spending taxpayers' money on

flights in the government-owned air force. To the Premier: was it the Premier's decision to deny access to information about how he is using the government-owned aircraft?

Mr. Klein: To answer the question, the answer is no. It was not my decision whatsoever.

Mr. Speaker, relative to the flight manifests I don't have a problem generally. The flight manifests, as the hon. Minister of Infrastructure pointed out, are made public I think on a quarterly basis and are generally available for anyone to view.

Now, Mr. Speaker, I'm going to create a scenario. If Mr. or Mrs. Grundy want to look at a flight manifest, what they do is they phone the minister's office or they phone the hangar or they phone an appropriate authority and they receive permission to look at flight manifests. They sort of indicate what they want to look at, not 10 years of flight manifests that add up to 12,000 – I think that you save 12,000 or 13,000 different manifests, that would tie up literally countless hours of public service employees' time at great expense to the taxpayer. Nor do Mr. and Mrs. Grundy arrive at the hangar with a microphone and a bevy of media people. So one has to wonder: is he seeking legitimate information, or is he trying to create a media circus? I suspect that the latter is true.

The Speaker: The hon. leader.

Dr. Taft: Thanks, Mr. Speaker. Well, given that the Infrastructure minister has said that government-owned aircraft cannot be used for political party business, why did the Premier take a government-owned aircraft to Fox Harb'r golf course for an event that was funded by a political party, the PC Party?

Mr. Klein: Mr. Speaker, that plane was on its way to Halifax for an annual Premiers' Conference. Fox Harb'r is about 20 minutes from Halifax. I was let off there. The plane came back. It was deemed that part of the expense would be party expense and part of it would be business. I considered it all to be business, but if the party wants to consider some of it to be party-related activities, then that is entirely up to the party. I don't pay attention, nor do I ask who pays what for what, when, and why. It's all there.

1:50

It's no secret that I went to Fox Harb'r. I explained in this Legislature that I was invited by Ron Joyce to go there to meet and network with about 40 business leaders from around North America. I consider that to be part of my job as government, but if the party decided that part of it was not politically related and related to my job as the Premier, perhaps the golfing part, then they should pay for it.

Dr. Taft: The lines are too unclear, Mr. Speaker.

Has the government ever been reimbursed by the Premier's leader's fund for the cost of a flight on a government plane?

Mr. Klein: I don't know, Mr. Speaker, nor do I pay attention to those things. If business is deemed to be – well, I wouldn't use the plane for strictly party business. As a matter of fact, when we have Premier's dinners, when we have strictly party events, the party charters aircraft. There are times, admittedly, when government aircraft is used to do other business, and perhaps some party business will be done at the same time, as it was done in Fox Harb'r, but you can't separate the two. You can't walk and fly at the same time. It's like, you know, walking and chewing gum. Well, I guess you can do that, but you can't walk and fly at the same time. If it so happens

that some party business is mixed with ministerial business, so be it. What is the big deal? I'll tell you: their Liberal cousins . . .

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

Automobile Insurance Reform (continued)

Mr. MacDonald: Thank you. Alberta drivers have been involved in a hit-and-run collision. Their government is at fault for hitting them with double-digit auto insurance rate increases and running behind access to information laws to hide its incompetence. My first question is to the Premier. If New Brunswick's Conservative government can quickly provide the Official Opposition with its KPMG study on auto insurance reform, what's stopping this government from publicly releasing its own KPMG report on auto insurance reform which was prepared at the same time by the same author?

Mr. Klein: Mr. Speaker, I don't know the timing relative to release of the report, but I will have the hon. Minister of Finance respond. I believe it will be released publicly once the information from the report is used to properly draft the regulations.

I'll have the hon. minister respond.

The Speaker: The hon. minister.

Mrs. Nelson: Yes, Mr. Speaker. I've said numerous times in this House that once we have finalized the regulations associated with the reform package, which will go to cabinet when they are completed through the SPC process, and they are put in place, then the report will be finalized by KPMG and we will release the report. Until such time we won't release the report because it's not complete.

The Speaker: The hon. member.

Mr. MacDonald: Thank you. Again to the Premier: why are the government's Conservative cousins so open and accountable regarding auto insurance in New Brunswick while this government disregards the FOIP commissioner by refusing to release even parts of the Alberta KPMG study, as the commissioner's office has instructed?

Mr. Klein: Mr. Speaker, the hon. member should understand that this is not New Brunswick. This is Alberta, and we do things the way that we deem to be proper here in Alberta. There is a process. We are following that process. The legislation to lay out the framework for the regulations vis-à-vis insurance has been passed. We are now working on the regulations. We are doing it in the normal manner, and the only people who are asking for that report, which is a working document or a document from which we can work, are the Liberals. I don't know what the circumstances are in New Brunswick, and although I have the deepest respect for Premier Lord in New Brunswick, he does things his way and we do things our way.

The Speaker: The hon. member.

Mr. MacDonald: Thank you. Again to the Premier: is this government reluctant to release the KPMG study because the study tells the truth and doesn't back up this government's proposed reforms?

Mr. Klein: I don't know anything about the report other than that

it's a document from which the SPC, cabinet, caucus can work to arrive at reasonable solutions. Those solutions are to reward good drivers, punish bad drivers, and make sure that accident victims are fairly compensated, Mr. Speaker.

Relative to the report itself I'll have the hon. minister respond.

Mrs. Nelson: Well, Mr. Speaker, I don't know whether the hon. member opposite stays up too late at night and dreams these things up, but I have said dozens of times in this House that once this process is complete and the report is finalized, we will release the report publicly. Now, I don't know how much clearer you can make that, unless I have it go in slow motion to send the message over there.

We are not hiding anything. We're in a work in progress right now, and we're moving forward to have a new insurance system implemented in this province, a made-in-Alberta solution, this summer. We're on track and we will move forward, and hopefully he'll come with us.

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

Mr. Mason: Thank you very much, Mr. Speaker. The sand under the government auto insurance reforms keeps shifting, and it's quickly turning into quicksand. Last fall the Tory government claimed that Albertans would see their auto insurance premiums reduced to comparable levels with other western provinces. Now it appears that 80 per cent of Albertans will see no reductions in their premiums, which are already 35 to 50 per cent higher than in those provinces that enjoy the benefits of a public auto insurance plan. My question is to the Premier. When will the Premier admit that it is impossible to deliver through private insurance rates on par with those in other western Canadian provinces and that this is the real reason that 80 per cent of Albertans will see no rate reductions under the government's so-called reforms?

Mr. Klein: Mr. Speaker, two comments before I turn it over to the hon. Minister of Finance. One comment is that this hon. member has never responded to my request, a reasonable request, to table his personal insurance premiums and those that he would pay in Saskatchewan or Manitoba or British Columbia for this year or the last year or the year previous. He has never ever responded to that challenge because what he says is misleading. He knows that his insurance premiums are comparable. Are comparable. So he misleads the public of Alberta when he says that we are paying higher rates, because he is not paying a higher rate. He knows it, and I know it. Within \$10 or \$15 I know that ostensibly my rate is about the same.

Mr. Speaker, the second comment I have – and I'm trying to remember it.

Mrs. Nelson: Eighty per cent.

Mr. Klein: Oh, the 80 per cent. Yeah, the second comment was that it is so typical for this member in particular to do his research in the *Edmonton Journal*. Honestly, he gets up and he reads the *Edmonton Journal* and says: oh, boy, have I ever got a question today, and if it's in the *Journal*, it's gotta be true.

Well, you know, I hear from my communications people that there's a little spat going on between the CBC and the *Edmonton Journal* as to whether it was a government document or not a government document, and I don't get involved in media spats. So perhaps he should leave the Chamber and maybe get a tape of the

CBC news and see what the CBC has to say about it, and maybe he'll come back with a changed tune, Mr. Speaker.

The Speaker: The hon. member.

Mr. Mason: Thank you very much, Mr. Speaker. Well, it's the government bureaucrats that can't get it straight whether it's a government document.

My question is to the Premier. Since he and his Minister of Finance are both on the record as saying that Alberta will have rates similar to those in the other three western provinces, will he stand again in this Assembly and recommit to that promise and promise that we will have those rates in place before the next election?

2:00

Mr. Klein: Mr. Speaker, I would be happy if the hon. member – well, I'd be happy without the hon. member, but it's going to take me some time.

Mr. Speaker, I would be very happy to table my insurance rates for this year, last year, the year before, and the year before that and also table what I would be paying in the provinces of Manitoba, Saskatchewan, and British Columbia. I'm not afraid to do that. You will see that they are comparable notwithstanding what the hon. member says or tries to tell the Alberta public in a misleading way. I would hope that the hon. minister, or the hon. member – I'm sorry; never a minister – would do the same thing.

Relative to the question I'll have the hon. minister respond.

Mrs. Nelson: Mr. Speaker, we've been on this path of reform now for quite some time, and our goal has been to provide insurance that is affordable to Albertans – comparable, competitive, et cetera – and accessible. We have stayed on this path through a lot of turmoil up and down.

I can tell you that as this path evolved last summer, we recognized that rates were going up, so we took steps immediately to stop the spiralling increase of rates by putting a freeze in place. People who were going to have their rates increase after October 30 were frozen at the prior year's rates. So they've already experienced a decrease in their premiums that they would have had.

Now, Mr. Speaker, this is important, and I hope you'll let me . . .

The Speaker: I know, hon. member, but I also have a list of 15 other hon. members who want to participate as well.

Mr. Mason: Thank you very much, Mr. Speaker. Well, given that the Premier has two chauffeur-driven Buicks, I'm sure his rates are not comparable with the average person's.

If the Premier cannot deliver on his promise to provide automobile insurance premiums on par with those in other western provinces before the next election, will he do the honourable thing and resign?

Mr. Klein: No. Mr. Speaker, the answer to the last part of the question is absolutely not. I look forward to the absolute annihilation and elimination of this individual in the next election. But, again, I speak to the honour, the integrity, and the truthfulness which this hon. member swore an oath to uphold, and then to say that I don't have insurance rates because of the chauffeur-driven red Buick.

Mr. Speaker, in Calgary, although it is a government vehicle, I have a PT Cruiser, hardly a luxury car. In Edmonton I have a vehicle of my own. It's my own vehicle. It is a 1977 Volkswagen bug. Now, because of the nature of the Volkswagen it is classified as a classic and therefore is subject, unless I drive it on a limited

basis, to a special insurance rate. I don't drive it on a special occasion; therefore, it is subject to the full rate. That Volkswagen is assessed as if it were almost a brand new Volkswagen.

Mr. Speaker, I say again that I will table the insurance that I pay on that Volkswagen as a full-time driver.

Mr. Mason: Do you promise?

Mr. Klein: I'll table it tomorrow.

Since the hon. member seems to be reluctant to table what he pays on his personal vehicle for insurance, I will take it off the Net if he will give me the information relative to his driving record, his age, and so on – well, I can get that off the Net, but I can't get his driving record – and he will find that it is comparable.

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

Education Funding

Mrs. Jablonski: Thank you, Mr. Speaker. The Red Deer public school board has recently expressed concern about its funding for the upcoming year and has stated that it falls far short of government promises in Budget 2004. My questions today are to the Minister of Learning. How much of an increase will school boards receive this year?

The Speaker: The hon. minister.

Dr. Oberg: Thank you very much, Mr. Speaker. In our budget, that was just approved a couple of weeks ago, there was a \$250 million increase budget over budget for the basic K to 12 education system. Of those dollars, \$192 million went directly to school boards. The remaining \$58 million accommodated things such as increase in teachers' pension, curricular changes, things like that. There was a \$60 million injection that was announced around November of last year, and I do include that in that number. So be perfectly clear: \$250 million is from budget to budget. This represents about a 6.9 per cent increase to the amount that actually goes to the basic K to 12 system. The amount that actually goes to school boards has gone up by 5.8 per cent.

The thing that I really must say, though, as well, is that the way the money is being given out to school boards has changed. With the new flexible funding formula that is there, there are new conditions that have gone out to school boards. Each school board, however, is guaranteed at least a 2 per cent raise over last year, Mr. Speaker.

Mrs. Jablonski: To the same minister: based on the annual increases due to inflation and the anticipated increases for all district employees and specifically in the case of Red Deer public, has the school board received enough funding to cover their increasing costs and to hire new teachers?

Dr. Oberg: Well, Mr. Speaker, in direct relation to Red Deer public they have received a 4.8 per cent increase over the last budget year, so that's a considerable amount of dollars. They received about \$1.1 million in November with the \$60 million that I just referenced. They received about another \$1.7 million.

Mr. Speaker, the interesting thing about the new funding formula is that it's very dependent on the school boards and how they spend it. If they choose to spend it in hiring new teachers, which I certainly hope they would, then it is up to them. If they choose to spend a million dollars on technology, it is up to them. They are

accountable to their constituents. That's the way the funding formula has been arrived at.

Overall – overall – it's a 4.8 per cent, or roughly \$2.7 million, increase on a \$55 million budget, so that brings your budget up to around \$57 million for 6,000 students.

Mrs. Jablonski: To the same minister: is this enough money for school boards to begin to address the Learning Commission's recommendation on class sizes?

Dr. Oberg: Well, Mr. Speaker, I would certainly hope that \$250 million can go a long way to do it. The Learning Commission recommended that their class size guidelines be implemented over five years. I think that this is a start. Can we get to the class size guidelines in one year with these dollars? Probably not. There are some school jurisdictions who will do it.

Mr. Speaker, they have raised a very interesting question, and this question in itself begs a question, and that is, quite simply: what is the funding for each of the individual school jurisdictions? The hon. Member for Edmonton-Mill Woods asked me in the estimates to table all of the funding profiles for the school jurisdictions, and indeed, through to the hon. Member for Red Deer, they will be on our web site today. I will be tabling all the profiles for all the school jurisdictions in Alberta later on this afternoon.

The Speaker: The hon. Member for Edmonton-Centre, followed by the hon. Member for Whitecourt-St. Anne.

Coal Bed Methane Development

Ms Blakeman: Thank you, Mr. Speaker. On a number of occasions the Minister of Energy has indicated that there is very little freshwater production associated with coal bed methane drilling in Alberta. Then on April 20, 2004, the Minister of Energy said, "There is no evidence of fresh water production to date." My question is to the Minister of Energy. So which is it? Is there or is there not any freshwater production associated with coal bed methane drilling in Alberta?

Mr. Smith: Well, you know, Mr. Speaker, again, if I had the ability to predict the presence of water in coal bed methane – how much, if it's fresh water, if it's saline or brackish – believe me, I wouldn't be here. People pay millions of dollars a year to somebody who can predict that with any kind of accuracy.

What we do know is that originally two wells in the Drayton Valley area which applied for freshwater production had, in fact, when they produced, saline or brackish water; that is, water with salt in it. We also know that the wells that are being drilled today in upper coals do not have water in them.

So our results to date with coal bed methane in Alberta are extremely encouraging in that there is very, very little, if any, fresh water associated with coal bed methane production.

2:10

The Speaker: The hon. member.

Ms Blakeman: Thank you. My next question is directed to the Minister of Environment. How many applications to divert fresh water from an aquifer within a coal bed methane seam are currently before Alberta Environment?

Dr. Taylor: Well, Mr. Speaker, as the Minister of Energy has quite clearly identified, we do not know what is in coal bed methane until there's some application to it.

Now, in my constituency, Mr. Speaker, we have people we call water witches, that can test for water, and it appears that the member opposite might be considered one. I don't know.

As we move forward, we will review all of those applications as they come forward, and if there's any evidence that there is fresh water to be diverted, then they will have to go through a full licensing procedure. As well, Mr. Speaker, there are hearings in the province right now that are being conducted by Energy and Environment to review with Albertans the whole issue around coal bed methane.

The Speaker: Hon. Minister of Environment, there was an interjection there. There will be a point of order. There'll be some stormy waters ahead. You might want to rethink what you've just finished saying.

Ms Blakeman: Back to the Minister of Energy. Given that over a thousand coal bed methane wells have already been drilled in Alberta, why does the government continue to classify many of them as experimental, thus preventing people with CBM wells in their own backyards from obtaining information on them?

Mr. Smith: Mr. Speaker, I do not have any information at my disposal that would indicate that somebody who is having a well drilled on the property that they owned would not have access to the data or not know about the water situation.

I would point out to the hon. member that there are regulations set out in the Water Act, very, very clear regulations, and by the Alberta Energy and Utilities Board that guide the use and disposal of any water produced in association with natural gas and coal development. Most wells and shallow gas in Alberta have produced little or no water. The water that's produced in the deeper coal is brackish or saline. So it's not as if the fact that there's methane gas, which virtually goes directly into the sales stream, is brand new to Alberta.

The member, if she'd cast back, would realize that Alberta has been a gas producer for a long, long period of time and with that becomes . . .

Ms Blakeman: Answer the question.

Mr. Smith: Am I answering the question? Thanks, Mr. Speaker. I appreciate that focus, given the interruptions from the very person who asked the question. I would just simply deduce by normal logic that she would want to be quiet and listen to the answer, and then I would use up less time in this important Assembly, Mr. Speaker, to you.

Having said that – and I don't want to go through the entire history of gas evolution in Alberta, although there are others that would like me to, Mr. Speaker – suffice it for me to say that the Alberta government, the Department of Environment, the Department of Energy, the Alberta Energy and Utilities Board do a very, very good job of managing our resources, and inside that resource envelope is included a very precious resource called water.

The Speaker: The hon. Member for Whitecourt-Ste. Anne, followed by the hon. Member for Edmonton-Gold Bar.

Canada/U.S. Relations

Mr. VanderBurg: Thank you, Mr. Speaker. The ongoing trade disputes between Canada and the U.S. have caused great hardship throughout Whitecourt-Ste. Anne. In preparation for last week's

meeting between the Prime Minister and President Bush I understand that the Premiers took part in a conference call with the Prime Minister in advance of that meeting. My questions are to the Minister of International and Intergovernmental Relations. What issues of concern did Alberta put forward to be raised by the Prime Minister in this meeting with President Bush?

Mr. Jonson: Mr. Speaker, the recent meeting between President Bush and Prime Minister Martin, of course, was extremely important. Overall, it was designed to advance relationships between our two nations, especially in areas of softwood lumber, yes, the BSE crisis, security, and a number of other areas.

Now, as far as the conference call is concerned, during the conference call between first ministers in advance of the Prime Minister's U.S. visit Alberta urged Prime Minister Martin to pursue the following topics. Certainly, we were to pursue and demonstrate a new and more positive relationship towards the United States. We urged the Prime Minister to press for speedy resolution of the BSE market access issue, especially as it relates to live cattle access, and to discuss how to deal with this sort of issue in the future. Also, overall, the goal was to reinforce the United States' understanding and appreciation of Alberta as a crucial energy security source and particularly the contributions that could be made by increased U.S. investment in Alberta's oil sands.

The Speaker: The hon. member.

Mr. VanderBurg: Thank you, Mr. Speaker. Again to the same minister: given the wide range of discussion, were there any positive results that came out of that discussion for Albertans?

Mr. Jonson: I think that first of all, Mr. Speaker, the overall, we hope in the long run, accomplishment here is that it would appear that Canada/U.S. relationships are back on a more positive footing than before, and that, of course, is extremely important for Alberta and for all of Canada.

Now, according to media reports, President Bush stated his administration's commitment to free trade when it comes to beef and promised that the border would reopen as quickly as possible, but from what I understand, the President did not provide any firm timetable. The Prime Minister also indicated that President Bush would like to see an end to the long-standing softwood lumber dispute between Canada and the United States, although again there was no specific timetable.

However, Mr. Speaker, it is very positive that after two years of deteriorating relations between Canada and the United States, our federal government seems willing to take steps necessary to ensure that our relations with the U.S. remain strong, and Alberta certainly supports the federal government's serious, proactive approach to improving the crucial relationship between Canada and the United States.

The Speaker: The hon. member.

Mr. VanderBurg: Thank you, Mr. Speaker. Again to the same minister. You mentioned the softwood lumber dispute. Can the minister indicate what impact the latest ruling in the dispute will have on Alberta?

Mr. Jonson: Well, Mr. Speaker, the recent NAFTA ruling, of course, is very positive. It's one of the strongest and most specific sets of findings that we've had thus far. We have been meeting with respect to analyzing the outcomes of this particular ruling and how

it might be applied to breaking the softwood lumber impasse, but I regret that at this point in time I'm not able to quote or to report on any specific results that have come from that particular ruling. But, certainly, it is positive overall.

Automobile Insurance Reforms (continued)

Mr. MacDonald: When the government announced last summer its intentions to reform auto insurance, it promised to make the system more accessible, affordable, and fair. We now know that this is yet another broken promise by this government. My first question is to the Premier. Is there a lack of competition among private auto insurers in Alberta?

The Speaker: That's an opinion, hon. member.

Mr. MacDonald: Again to the Premier: do private auto insurers have a collective monopoly over the underwriting business here in Alberta?

The Speaker: It sounds like an opinion again, hon. member.

Mr. MacDonald: Thank you. Again to the Premier: given that members of the Insurance Bureau of Canada use very similar, if not identical, rating structures when they are asked for a policy quote, how can this be called real competition here in Alberta?

Mr. Klein: Mr. Speaker, I don't know. Quite honestly, I don't know, and I'm not that involved with the insurance industry.

Mr. MacDonald: Obviously, you're not.

Mr. Klein: No, I'm not, Mr. Speaker, nor is this individual involved. As I understand it, he was a steamfitter before he became, well, sort of a politician and a union representative. He is not by any stretch of the imagination an actuary or any other kind of official associated with the insurance industry, and to intimate that he knows about the insurance industry and has all of this knowledge – he gleans it either from newspapers or off the Internet. I can tell the public that he is no expert by any stretch of the imagination. I don't know – and I will admit it; I'll be honest and admit it – the intricacies of the insurance industry, but I do know what I pay.

2:20

Now, I'm going to do him a favour. What I'm going to do is I'm going to first of all search his bio, find out how old he is, and then I'm going to make some assumptions. The assumption is this: that he has a car, a vehicle registered in his name, that he owns his vehicle. I'm going to assume that it's a medium- to late-model vehicle. I'm going to assume that his record is good. Then I'm going to find out generally what he would pay. I don't know what insurance company he goes through.

Mr. MacDonald: I'll save you the trouble. Twelve hundred dollars.

Mr. Klein: Okay. That's for PL/PD.

The Speaker: Hon. members, this is question period, not a back and forth.

The hon. Member for Calgary-Fort, followed by the hon. Member for Edmonton-Centre.

Right-of-way Regulations

Mr. Cao: Thank you, Mr. Speaker. We all know that pipelines and transmission wires are infrastructure vital to Alberta's economy. Recently a constituent of mine who owns farmland met with me and raised an issue of a farmer who was not allowed to expand his barn because it would infringe on a pipeline right-of-way. My questions today are to the Minister of Energy. What rules are in place to fairly compensate landowners for the loss of opportunity resulting from the rights-of-way?

The Speaker: The hon. minister.

Mr. Smith: Thank you, Mr. Speaker, and I hope that that hesitation between "hon." and "minister" was just Freudian when it came to me.

Mr. Speaker, let me say that there is a robust set of regulations and a sophisticated network of process surrounding right-of-way. The government has the power of eminent domain that it can exercise with the siting of transmission, but there is a very good process with the EUB, the Alberta Energy and Utilities Board, and the Surface Rights Board. I'm more than pleased to provide the member with absolute, finite detail as to how he could direct his constituent into that process.

Let me conclude, Mr. Speaker, by saying that the transmission process is still a regulated process in Alberta's competitive market generation model.

The Speaker: The hon. member.

Mr. Cao: Thank you, Mr. Speaker. My first supplemental question is to the same minister. Who is responsible for maintaining the rights-of-way for things like weed control or overgrown branches that negatively affect the crop cultivation?

Mr. Smith: Well, Mr. Speaker, this may require a supplement from the minister of agriculture, because his example of weed control actually is governed by the Weed Control Act of the Alberta Agriculture, Food and Rural Development department. So should further light be shone on this noxious subject, I'm sure that there's nobody more qualified than the minister of agriculture.

But I can say that the operators of these transmission lines have a responsibility, Mr. Speaker, for safe and effective handling of transmission. Again, they apply to the Alberta Energy and Utilities Board and tell the board how much this maintenance is going to cost. From that, the board works up the price that is charged to consumers for transmission rates in the province.

The Speaker: The hon. member.

Mr. Cao: Thank you, Mr. Speaker. My last supplemental question is to the same minister. Several companies working in the same region of Alberta could result in criss-crossing of pipelines underground. My question is: how is the siting of pipelines planned, managed, and the documentation of the network updated?

Mr. Smith: Mr. Speaker, it's a natural monopoly and, as such, controlled by the EUB.

The Speaker: The hon. Member for Edmonton-Centre, followed by the hon. Member for Edmonton-Strathcona.

Crossroads Program

Ms Blakeman: Thank you, Mr. Speaker. The forecast for this last fiscal year's victims of crime fund estimates that there will be a surplus of at least \$6.2 million. Meanwhile, the Crossroads program for victims of prostitution is going under because they could not find the \$350,000 to keep it running. My questions are to the Solicitor General. Given that the Solicitor General is sitting on at least a \$6.2 million surplus in the victims of crime fund from the last fiscal year alone plus the operating money for this year, why will she not help this valuable program continue?

Mrs. Forsyth: Well, Mr. Speaker, the member asks a good question, and I guess the first thing I'd like to say is that this group she's referring to – I believe it's Crossroads – has not approached me. I know Crossroads very well in the work that I did in regard to child prostitution, and I have not heard from them at all.

Maybe the Minister of Children's Services would like to supplement the answer.

Ms Evans: Mr. Speaker, currently we're looking at the incidence of children who have been in care that are adults now by virtue of the fact that they're over 18. Our Children's Services staff are talking to them and talking to the people that manage the program.

Initially last year when they served notice that if we did not fund the adults that were in that program, they would be compelled to close, we had other placements for them, but we wanted to look very carefully, because we are not in the business of serving adults that require these types of services. If they have been youth in care and we can provide mentoring and transitional supports, if we can assist them in finding housing supports, then we'll do that as well as providing counselling.

My understanding is that region 6, whom I was in discussions with today about this, are in discussions as we speak on this very topic.

The Speaker: The hon. member.

Ms Blakeman: Thank you. Back to the Solicitor General then. Am I hearing from the Solicitor General a willingness to go the extra mile not only for prostitutes under 18 but, in this case, for prostitutes over 18, particularly those with children of their own? If they approach you, will the minister be willing to listen?

Mrs. Forsyth: Well, this minister is always willing to listen, Mr. Speaker. I've always spent a lot of time listening. I think one of the things that Crossroads can look at: we have reinstated our crime prevention grants, and our restorative justice they may be able to access. If they want to talk to me, I have wonderful staff that work for me in that area, and I'm sure that I'd be pleased to meet with them, and I know my staff would be willing to listen to them.

The Speaker: The hon. member.

Ms Blakeman: Thank you. Back to the same minister. I'm specifically seeking information. Why won't this minister fund the Crossroads program out of the surplus she already has for the victims of crime fund?

Mrs. Forsyth: Well, Mr. Speaker, let's be very clear first of all: that fund is for victims of crime. If Crossroads feels that they qualify for that, they can go and apply to get some money from the victims of crime fund.

It's very, very simple. We're here to help people, and we're willing to listen. If the people at Crossroads want to talk to me, I'll certainly sit down, discuss with them, tell them what avenues there are and what resources we have within our department to help them.

The Speaker: The hon. leader of the third party, followed by the hon. Member for Olds-Didsbury-Three Hills.

Dr. Pannu: Thank you, Mr. Speaker. Last Friday the Minister of Seniors shared a podium with the Deputy Prime Minister to announce funding for 11 new affordable housing projects. While this is positive news, the Edmonton City Centre Church Corporation announced yesterday that a lack of funding is forcing the closure of the Crossroads duplex, which provides safe and supportive housing for homeless and street-involved women. The Crossroads duplex opened only two years ago in the Boyle Street area on lots where fortified drug houses once stood. My questions are to the Minister of Seniors. Why is this government failing to provide the necessary ongoing funding to allow affordable housing like the Crossroads duplex to keep its doors open to vulnerable street-involved women?

2:30

Mr. Woloshyn: Well, it's unfortunate, Mr. Speaker, that I have to explain the affordable housing program to the hon. member. The affordable housing program provides funding in partnership with municipalities, with private developers, with non-for-profit groups to build – to build – affordable housing. The operation of that comes from the proponents of the projects. We do it at a very, very economical rent, and as he indicated, very positive news.

So how our affordable housing project would come into this other situation, which seems to be unfortunate, is beyond me, since that project was funded by the federal government's initiatives, good initiatives, I might add, and those two cottages were homes that were moved from Griesbach barracks.

The Speaker: The hon. member.

Dr. Pannu: Thank you, Mr. Speaker. Given that the government is unwilling to provide ongoing operating support for affordable housing projects after they get built, why is the government exposing vulnerable women to the risk of homelessness and forcing them back into the arms of criminals who operate the drug houses that the Crossroads duplex is built to replace?

Mr. Woloshyn: Mr. Speaker, generally, I try to keep a composure in this Legislature, but when a question so misdirected, so vindictive, and so inaccurate comes here, it irritates me to no end. Number one, the Seniors' department was not involved in this project. The Edmonton Housing Trust Fund promised funding up until March 31 to the operators. Alberta Seniors funds at least a million dollars to the Edmonton Housing Trust Fund annually.

Mr. Speaker, that member is so far off course I don't think he realizes that he's in the Legislature.

Dr. Pannu: My last question to the Minister of Seniors: given that the Crossroads duplex supports highly vulnerable individuals overcoming addictions and past abuse, what immediate actions will this minister take to make sure that this supportive and innovative housing project is not forced to close its doors at the end of this month?

Mr. Woloshyn: Mr. Speaker, I would like to thank the member for a very good question. Thank you very much. That I can answer.

I think it's important to note that we invest through Seniors some \$4.6 million annually into Edmonton; \$1.28 million of this goes towards the Women's Emergency Accommodation Centre, which you're familiar with, and to Elizabeth House for single inner-city women.

Mr. Speaker, in direct answer to the question posed by the hon. member – what am I going to do immediately? – because this is new to me since we were not involved in this in any way, shape, or form, I'm having my staff set up meetings with the operators, with the funders to determine if, in fact, there was perhaps some support from other areas of government in here. We will be looking at what we can do. We're not in the program business, but as minister responsible for housing I would be very distressed to see shelter spaces that could be utilized go unused because of some, shall we say, problems that arise from it.

The Speaker: Hon. members, in a few seconds from now I'll call upon the first of four hon. members to participate today in Members' Statements, but in the interim might we revert briefly to Introduction of Guests?

[Unanimous consent granted]

The Speaker: The hon. Minister of Learning.

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

Dr. Oberg: Thank you very much, Mr. Speaker. It's indeed a great honour today to be able to recognize six distinguished educational leaders from the Caribbean and northern South America who are visiting Canada and Alberta in particular today. These are people who have won the Canadian Teachers' Federation John Thompson fellowship program. They're part of that program.

We have Mr. Jerry Coipel, who's the treasurer of the Dominica Association of Teachers. We have Ms Avril Crawford, general secretary of the Guyana Teachers' Union; Mr. Cecil Hodge, president of the British Virgin Islands Teachers' Union; Ms Celestine John, president of the Anguilla Teachers' Union; Mr. Vivian Sedney, secretary-general of the Surinam teachers' organization; Mr. Anthony Wolfe, president of the Bermuda Union of Teachers. They're accompanied by Mr. Tim Johnston, the international officer of the Alberta Teachers' Association, and Ms Shelley Svidal, who is the administrative assistant at the ATA. Their mission here is to observe first-hand the operations of one of Canada's provincial teachers' organizations and in particular the Alberta Teachers' Association, and we're greatly honoured to have them in the Legislative Assembly today. I would ask them all to rise and receive the warm welcome of the Legislative Assembly.

head: **Members' Statements**

The Speaker: The hon. Member for Grande Prairie-Smoky.

Rolls-Royce

Mr. Knight: Thank you, Mr. Speaker. It is an honour for me to be privileged to stand today in the Assembly and make a statement concerning a very important centenary. On May 4, 1904, 100 years ago today, an engineer named Frederick Henry Royce met an aristocrat, Charles Stewart Rolls, at a luncheon in the Midland Hotel

in Manchester, England. On a handshake they agreed that a company should be formed to market motor products designed and produced by Royce. The company we know as Rolls-Royce is the result, recognized around the world for excellence in engineering technology and manufacturing.

The importance of this event for our Assembly is that Rolls-Royce's efforts leading up to and during the second great war, supplying aircraft, marine, tank engines along with other machinery and armaments, are credited with giving Allied pilots, sailors, and ground forces the edge that allowed them to secure victories critical to saving Britain. The parliamentary system we have and for the most part enjoy today in all likelihood would not have survived if it had not been for this historic meeting and the subsequent superior products produced by the company.

Thank you, Mr. Speaker.

The Speaker: The hon. Member for Bonnyville-Cold Lake.

Canadian Forces Base Cold Lake

Mr. Ducharme: Thank you very much, Mr. Speaker. Today I rise to honour Canadian Forces Base Cold Lake, who will be celebrating their 50th anniversary on Friday, June 18, 2004.

CFB Cold Lake is Canada's largest air force base and home of the CF-18 tactical fighter squadrons. World renowned for their ability and skills, 4 Wing pilots receive rigorous training and are deployed from either 416 or 441 squadrons. Combined with the air weapons range, which is the only tactical bombing range in Canada, 4 Wing has evolved into the best fighter-force training venue in the world.

Build it, and they will come. In 1951 an announcement was made concerning the development of the air weapons range on a tract of land 180 kilometres by 65 kilometres bridging both northeastern Alberta and Saskatchewan. CFB Cold Lake began construction in 1952, and operations commenced in 1954. Today the base, under the leadership of Wing Commander Colonel Sullivan, has over 2,000 regular and reserve personnel as well as a civilian workforce that fluctuates between 230 and 430 and is set to grow even further.

I think we can all recognize the impact of the base on the city of Cold Lake. The 4 Wing was built at Medley, between what was Cold Lake and Grande Centre, and became part of the tritown area, merging into one in 1996. What is special and unique is the joint co-operation between the base and the city of Cold Lake, and you will see this spirit of co-operation in the events planned for this summer celebrating the base's 50th anniversary.

For example, for six weeks beginning May 3 and running to June 11, the Maple Flag days will host 10 nations, arguably making this one of the biggest and best fighter-force training exercises in the world. On June 18, 4 Wing's anniversary date, a 25-year-old time capsule will be opened and restocked and a CF-18 pedestal aircraft will be unveiled. On Saturday and Sunday, July 17 and 18, the city of Cold Lake and 4 Wing are jointly hosting the Cold Lake International Air Show, which is going to be one of the best in North America this year. The Snowbirds, USAF Thunderbirds, Skyhawks, and an exclusive CF-18 multiship attack complete with pyrotechnics are all part of the show. In conjunction with the air show a Border Bash will be featuring many talented musical singers and bands. The final highlight of the summer will be the freedom of the city of Cold Lake commencing with the parade through the city of Cold Lake on Friday, August 27.

On behalf of Colonel Sullivan, wing commander of 4 Wing Cold Lake, and all of the base personnel I invite my colleagues, their

families, and all Albertans to participate in celebrating CFB Cold Lake's 50th anniversary.

Happy 50th anniversary, CFB Cold Lake, and congratulations on a job well done.

Thank you.

2:40

The Speaker: That statement by the hon. Member for Bonnyville-Cold Lake ran a full one minute beyond the time allocated for it, but it was allowed today simply because the hon. Member for Grande Prairie-Smoky went one minute under his allocated time.

The hon. Member for Calgary-West.

Queen Elizabeth II Golden Jubilee Citizenship Medal

Ms Kryczka: Thank you, Mr. Speaker. On February 26, 2002, our hon. Premier rose in this Assembly and introduced Bill 1, the Queen Elizabeth II Golden Jubilee Recognition Act. This provincial legislation annually commemorates the golden jubilee of our Queen, Elizabeth II, and recognizes in her honour the very special contributions of Alberta's young people in building this province and its communities.

Everyone knows the kind of young Albertans I'm talking about. They are the ones who go way above and beyond in their communities, the ones who go out of their way to help others, give freely of their time in support of a worthy charity or cause, or through some other way find the time to give back to their community. Quite simply, they represent all that it means to be a very good citizen in this province.

There are many awards or scholarships that recognize outstanding achievement in academics or sports or perhaps even both, but with the Queen's jubilee recognition act we now have a way to recognize Alberta's young people who exemplify the best qualities in citizenship and leadership. I truly cannot think of a more meaningful award.

Every year one student from each high school in Alberta is chosen to receive the Premier's citizenship award based upon their exemplary contributions to their community and their school. From this select group the five most outstanding are recognized with the Queen's Golden Jubilee Citizenship Medal and a \$5,000 award to use for further education or development.

Today I had the honour of hearing the name of an outstanding young constituent of mine, Michele Romanow from St. Mary's high school in Calgary, who was recognized in this Assembly along with the four other Queen's Golden Jubilee Citizenship Medal recipients for 2003: Samantha Saretsky from Lacombe composite high school, Laura Abday from Edmonton's Jasper Place high school, Evan Wisniewski from Two Hills high school, and Wilma Shim from Edmonton's Archbishop MacDonald high school.

Our province is very proud to celebrate the achievement of young Albertans who exemplify the qualities of citizenship, volunteerism, and community participation. Having pride in one's community and a willingness to contribute back is important because it builds upon the important foundation of compassion and respect, two characteristics that I believe are the cornerstones of a caring and safe society. These key components have made Alberta the strong, vibrant province that it is today and will allow it to remain strong in the future.

Congratulations to these five outstanding young Albertans.

Thank you, Mr. Speaker.

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

Romanow and Juliet

Mr. Mason: Thank you very much, Mr. Speaker. Romanow and Juliet, with apologies to William Shakespeare. Scene 2, New Democrats' orchard, enter Romanow.

But, soft! What light through yonder window breaks?

It is the east, and Medicare is the sun.

Arise, fair sun, and kill the envious Tory moon,

Who is already sick and pale with greed,

That thou our public system art far more fair than she:

Be not her maid, since she is envious;

Her health delivery is but sick and greedy

And none but fools do bear it; cast it off.

It is my birthright, O, it is my love!

Lady, by yonder blessed moon I swear

That tips with silver all these fruitful contracts.

O, swear not by the moon, the inconstant Tory moon,

That monthly changes in her circled orb

Lest thy coverage prove likewise variable.

Good night, good night! Privatizing is such

sweet sorrow,

False savings today and Americanization on the morrow.

O, Romanow, Romanow! Wherefore art thou,

Romanow?

Deny delisting and refuse thy premiums;

Or, if that wilt not put an end to waiting lists,

Then thou no longer be a New Democrat.

'Tis but their greed that is my enemy.

Thou art thyself, though not a Pettigrew.

What's a Pettigrew? It is his foot in mouth

That reveals the Liberals' deceitful scheme.

Too early, I hope, for the election is not yet come.

What's in a name? That which we call Medicare

By any other name would smell as sweet;

So Romanow would, were he not by the

Liberals and Tories ignored,

Retain that dear public system which we owe

Without that title to Tommy Douglas and the NDP.

The Speaker: That one could be in the book, hon. member.

head: **Presenting Petitions**

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

Dr. Pannu: Thank you, Mr. Speaker. I rise to present a petition signed by 108 Albertans petitioning the Legislative Assembly to "pass legislation that eliminates health care premiums."

Thank you, Mr. Speaker.

head: **Introduction of Bills**

The Speaker: The hon. Minister of Transportation.

Bill 31

Highways Development and Protection Act

Mr. Stelmach: Thank you, Mr. Speaker. I beg leave to introduce Bill 31, the Highways Development and Protection Act.

The bill will consolidate and modernize the existing Public Highways Development Act and the City Transportation Act and provide a single legislative framework for planning, developing, and protecting the provincial highway network system.

[Motion carried; Bill 31 read a first time]

head: **Tabling Returns and Reports**

The Speaker: The hon. Minister of Learning.

Dr. Oberg: Thank you very much, Mr. Speaker. Today I am tabling the requisite number of copies of all the school funding profiles for the province of Alberta, including charter schools and all the schools that are funded by us. This will enable full transparency and full disclosure for everyone involved, as was asked for by the hon. Member for Edmonton-Mill Woods during estimates.

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

Mr. Lord: Thank you, Mr. Speaker. I rise today to table the requisite number of copies of a report showing that toll roads apparently are turning out to be as much as twice as safe as publicly built and maintained highways, clearly something worth investigating. It's called Facts and Myths About Tolls. It's prepared for the International Bridge, Tunnel and Turnpike Association, whose motto is There Are No Free Roads. Clearly, it's the sort of reading material that should keep people wide awake at night.

Thank you, Mr. Speaker.

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

Mrs. Jablonski: Thank you, Mr. Speaker. Today I rise to table five copies of a letter from Kip Snelling, who is employed in the Ventures program at Michener Centre in Red Deer. In the letter Kip includes a petition signed by 34 residents of Michener, constituents of mine, in support of maintaining the Ventures program, which helps Michener residents to be active and employed.

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

Mr. MacDonald: Thank you, Mr. Speaker. I have two tablings this afternoon. The first is a letter that I received on December 22, 2003, from Alberta Finance, and it's a partial release of the KPMG actuarial study commissioned by the government to help set the rate for basic automobile insurance in 2003 in Alberta.

The second tabling I have is a study done by KPMG. It's titled Impact of Proposed Tort Reform on Private Passenger Automobile Rates in New Brunswick, and it's dated July 28, 2003.

Thank you.

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

Mr. Mason: Thank you very much, Mr. Speaker. I'm pleased to table a letter addressed to all MLAs from Mr. Phil Flaumitsch. Mr. Flaumitsch is a young driver and has raised serious concerns about insurance rates in Alberta. He's particularly concerned by the government's obvious inability to deliver on promises of lower insurance premiums.

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

Dr. Pannu: Thank you, Mr. Speaker. I rise to table the appropriate number of copies of a news release from the Edmonton City Centre Church Corporation. It's dated May 3, 2004, that is yesterday. It announces the closure of the Crossroads duplex due to lack of funding. The Crossroads duplex had provided a safe and supportive home for those who had histories of emotional, physical, or sexual abuse, violence, or homelessness.

Thank you, Mr. Speaker.

Point of Order Insulting Language

The Speaker: During question period today, hon. members, there was an interjection by the hon. Member for Edmonton-Highlands with respect to a point of order heard very clearly by the chair. Hon. Minister of Environment, do you want to withdraw some statements, or should we proceed with the point of order?

Dr. Taylor: Well, Mr. Speaker, if I could just elaborate perhaps for . . .

The Speaker: No. Then we'll proceed. The hon. Member for Edmonton-Highlands raised the point of order.

Mr. Mason: Thank you, Mr. Speaker. I'm raising the point of order under our Standing Orders, section 23(j), which is when a member "uses abusive or insulting language of a nature likely to create disorder."

It's my view that when the hon. minister referred to the hon. Official Opposition House Leader as a water witch he was not particularly talking about her ability to divine moisture in the soil. I think that it was inappropriate and uncalled for, and I ask that he withdraw it.

2:50

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

Ms Blakeman: Thank you, Mr. Speaker. Well, it's no fun being the only woman on the front benches of the opposition, and I'm very aware that many women, perhaps most women, who might currently be considering running for political office would find the minister's comments sexist, distasteful, juvenile, and a deliberate attempt to trivialize my role as an equal member of this House.

I've gone carefully through the list of unparliamentary language that's provided in *Beauchesne* and by the Speaker's handout of February of 2004. Interestingly, "witch" is not found as unparliamentary language, I suspect because the amount of name-calling that has happened to people of a particular gender of whom "witch" might apply has not been as common, and that's why we're not finding it. I think the member is very uncomfortable being challenged by a woman, and his attempt to trivialize my role in this House is his way of handling that, shrinking me down to a size he can handle, if you would like, and I think it shows how far in the past he indeed is living.

It's not a compliment to his caucus or to the government that those kinds of comments would be uttered, I believe. But, Mr. Speaker, I take comfort, small comfort, in two adages. One is that they always scream the loudest when they know they're losing, and secondly, what comes around goes around.

Thank you.

Dr. Taylor: Well, Mr. Speaker, I think we have not so much a point of order here as, I would say, a point of misunderstanding of a rural cultural tradition. I would point out to you that water witch is not sexist. I'll explain to you what it is. First of all, in my constituency and I've since learned in a number of constituencies around the province from the number of notes that I've received, it is common terminology. What water witch refers to is one who can usually take a willow with a fork in it . . .

Mr. Cardinal: Or a crowbar.

Dr. Taylor: The hon. minister suggests a crowbar. As you walk through a certain area where you're trying to find water, that bar or

that willow will move in downwards motion. People that can do this – I can't do it, Mr. Speaker; I wish I could – can actually identify the type of water and the depth that the water is at. These people are referred to as water witches.

Now, this is a terminology that is common in rural Alberta. I thought it was just southern Alberta, but apparently it is common in other parts of Alberta as well. To suggest that it is sexist is inappropriate, Mr. Speaker. The hon. Minister of Learning is in fact a water witch, and it appears to be something that is inherited. The hon. Minister of Learning has informed me that his father can witch and his brother can witch as well, so that is the cultural tradition on this.

Now, if you look at the member's comments – I don't have them in front of me, so I'm just going by memory – I believe she suggested that she knew that there was potable water in coal bed methane where we had not drilled, and we don't know if there's potable water in that. Well, the only thing somebody coming from my cultural tradition can assume is that she must be a water witch; that is, she can divine water without having to go through the scientific methodologies of drilling. As I say, it's a rare skill and a very valuable skill.

So I think, Mr. Speaker, this is a point of cultural misunderstanding as opposed to any point of order.

The Speaker: Others on this point?

Well, the chair disagrees with the hon. Minister of Environment. Here is what was said from the hon. Member for Edmonton-Centre. "My next question is directed to the Minister of the Environment. How many applications to divert fresh water from an aquifer within a coal bed methane scene are currently before Alberta Environment?" Minister of Environment, that was the question from the hon. Member for Edmonton-Centre. The Minister of Environment after one statement says, "Now, in my constituency, Mr. Speaker, we have people we call water witches, that can test for water, and it appears that the member opposite might be considered one. I don't know."

Now, let's see what the *Encyclopedia Britannica* says about what a water witch is. First of all, it says that it's an "occult practice." Secondly, it says that it was "first practiced in Europe during the Middle Ages, dowsing is most often used to find water but may also be employed to locate precious metals, buried treasure, archaeological remains, or even dead bodies."

Now, I suspect, I just really suspect – I wonder if the term "water witch" would have been used if the poser of the question had been male. On that point I am going to rule that this is an actual point of order. I am going to ask the hon. Minister of Environment to withdraw his comment.

Dr. Taylor: Certainly, Mr. Speaker. In deference to you I would withdraw my comment.

The Speaker: Thank you.

head: **Orders of the Day**

head: **Committee of Supply**

[Mr. Shariff in the chair]

The Deputy Chair: Hon. members, we'll call the committee to order.

head: **Main Estimates 2004-05**

Human Resources and Employment

The Deputy Chair: As per our Standing Order the first hour will be

allocated between the minister and members of the opposition, following which any other member may participate.

The hon. Minister of Human Resources and Employment.

Mr. Dunford: Thank you, Mr. Chairman. I'm here today to present the 2004-2005 estimates for Alberta Human Resources and Employment.

We have some folks in the gallery today, and I believe that Dan Thompson, director of budgets and forecasts, is there; Duncan Campbell, senior financial officer; James Frey, the acting assistant director of communications; and Charlene Schmidt. I see Shelby MacLeod, my executive assistant; Warren Chandler, special assistant; and it looks like some guests that are here touring. So welcome to everybody.

I wanted to talk first, Mr. Chairman, about the future of Alberta, about a future when Albertans are even less dependent on government supports, when employers can find the skilled labour they need, and when the risk of workplace injury or death is minimal.

Alberta Human Resources and Employment is looking to build a better future for Albertans, and building that better future for Alberta comes at a price. This year I'm asking for \$1.148 billion to support the work of the ministry. This does not include the WCB, the Workers' Compensation Board, which is entirely financed by employer premiums so is not a part of these budget estimates.

The Alberta Ministry of Human Resources and Employment is made up of five components: the department, the Alberta Labour Relations Board, the personnel administration office, the Appeals Commission for workers' compensation, and fifth, the Workers' Compensation Board. As I said, I will not be discussing WCB in these remarks.

3:00

First, I would like to discuss the Alberta Human Resources and Employment department. Before I begin, we've all heard about the tyranny of the anecdote: how one welfare client taking advantage of the system means everyone is a cheat, how one unhappy WCB client means the system is a failure. But those anecdotes are the minority. Stories of real Albertans provide us with real examples of what government does to affect their lives every day. Today I will be including stories about real people who have accessed our services. They are just a few of the hundreds of stories I and my colleagues hear every single day. These stories reflect our priorities and the great work Alberta Human Resources and Employment has done and will continue to do over the next year.

There are five main initiatives that will be addressed by the department over this next year. First, we will continue to implement Alberta Works income support and employment training programs. Our province's record on welfare reform is a national good-news story. At 1.3 per cent we have the lowest percentage of working-age population receiving social assistance in this country. This percentage has remained stable, but population continues to grow. We also have one of the highest percentages of adults participating in the workforce, more than 74 per cent.

This year we will invest \$617 million into the Alberta Works initiative as a system of income and employment supports, health and other benefits. It is a program designed to produce better results but at no additional cost to the taxpayer. It is a program not simply about giving people money; it's about giving them a future. Alberta Works will build on our success at helping people find and keep a job. It takes us even further away from old approaches where people could be trapped into dependence on government handouts instead of being given the hand up that they really need to create a better future for themselves and their family.

Under Alberta Works we help Albertans leaving financial assistance remain independent of government programs. Sometimes it means getting them into academic upgrading or skills training. Of the total Alberta Works budget nearly \$280 million will help 40,000 Albertans get labour market information, academic upgrading, language courses, or job skills training to move into the workforce.

Sometimes it's supporting people so that they can flee abusive homes. Eligible clients fleeing domestic violence could receive up to \$1,000 to help them set up a new household and get a fresh start. Diane is just one such woman who needed our help. This 40-year-old mother of two from Calgary fled an abusive relationship and needed to get her life back. Before he left the country, her estranged husband had destroyed her entire wardrobe and her eyeglasses. She was so distraught and fearful that she left her executive secretary position with an oil company.

We provided Diane with income supports while she attended counselling for the trauma she had experienced. She also received encouragement and support from our staff. We were also able to assist Diane to replace some of her work wardrobe and eyeglasses. She participated in life skills and career planning workshops to rebuild her shattered self-confidence. Diane is now back working full-time as an executive secretary for an engineering company. Where would Diane be if we just gave her a monthly cheque? Alberta works because we invest in people, and through Alberta Works, the program, we will see a return on that investment.

To access our services, we tell Albertans to click, call, or come in. In March 2004 there were more than 184,000 clicks to ALIS, our career, learning, and employment web site. That was our best month on record, and this is up 28 per cent from last year. We just launched two new on-line services, WAGEinfo and CERTinfo, to help job seekers find out what they can expect to earn in the Alberta job market or which occupations have special requirements. Clients can also call our new income support contact centre to get toll-free, 24/7 access to information on our financial assistance programs and services. Across the province people can come in to one of our more than 50 Alberta service centres or Canada/Alberta service centres.

Supports do not just end. For those that need it, they can continue to receive the hand up. Through the Alberta adult health benefit program health benefits will be extended to parents leaving financial assistance for work or because of an increase in Canada pension plan disability benefits. These health benefits can be renewed each year if the family earns less than the established income threshold. Alberta Works includes \$86 million invested into health benefits.

Also for the first time, child support services can continue after a family leaves financial assistance to help them get child support agreements or orders. This is very important because next to earned income child support has the greatest financial impact for low-income families. We will also spend \$4 million to provide child support services to help low-income parents get child support orders and agreements.

Our second initiative is the skills investment strategy and is part of our ongoing work to address labour shortages and skills deficits in Alberta. The skills investment strategy will increase opportunities for Albertans to get the skills and supports they need to find and keep a job. The skills investment strategy addresses the training needs of all Albertans including aboriginal people, immigrants, low-income Albertans, older workers, people with disabilities, and youth. The new skills investment programs provide greater flexibility and offer a better range of training, an increased number of work-related programs, greater supports for part-time learn-while-you-earn training, and an increased opportunity for providers to create training partnerships.

Our job corps office in Lac La Biche has been piloting a program

for at-risk youth, meaning kids who have quit school and are hanging around with nothing constructive to do. One of these at-risk youth, Thomas, was 19 and had quit school in grade 10. He was, in his own words, hanging around smoking dope for a couple of years and not going anywhere. Job corps helped Thomas decide what he didn't want to do by assigning him to a placement commensurate with his education as a labourer. After two days of digging sand, Thomas decided he wanted to go back to school to become a pipe fitter. The story isn't over. Thomas hasn't graduated yet, but I can say that he's still in school.

This year we will help more adults get the supports and information they need to succeed in the labour market, to get academic upgrading or language courses or job skills training they need to move into the workforce sooner so people like Thomas can get through their training and into the workforce faster.

Each year the department receives approximately \$120 million from the federal government for the Canada/Alberta labour market development agreement, or LMDA. The purpose of the LMDA was to recognize provincial responsibility for labour market training and to transfer delivery of employment insurance training programs to Alberta. Ours was the first LMDA signed, and now similar agreements exist between the federal government and most other provinces. The funds we receive from the federal government have been shrinking by about \$1 million a year even though demand has gone up and costs have gone up. Last year we actually spent \$10 million more than the LMDA services that we received from the federal government.

The department's third initiative is one mandated by legislation. This fall we will begin a review of the assured income for severely handicapped, or AISH, program to ensure that client needs are being met, the program is sustainable, and Alberta's most vulnerable people have the benefits they need. At \$393 million AISH is the largest program in the ministry and is still one of the most generous programs of its kind in Canada.

This year for the AISH program we will spend \$276 million for AISH's financial benefits and \$118 million in medical benefits for more than 32,000 Albertans. Medical costs account for nearly one-third of the total AISH spending, an increase of 13 per cent from 2003-2004, or an additional \$14 million. Medical costs for AISH recipients have increased dramatically from approximately \$63 million in '99-2000 to \$118 million this year. That's an increase of 87 per cent in six years, and a large portion of that is prescription drug costs.

3:10

The AISH caseload is also increasing. The number of recipients is growing by about 4 to 6 per cent per year, much more rapidly than the population. We need to understand why that's occurring. We have all heard from constituents on AISH about the challenges they face making ends meet. I wish I could do more, but first we need to get a handle on medical costs, prescription drug costs, and caseload increases.

Something must be done. The AISH program needs to be changed to ensure its long-term sustainability. We'll be talking to the people closest to the program: the workers, the advocacy groups, the service providers, and clients. Our hope is that the AISH review will bring solutions and identify ways to make the program more responsive to the people it serves.

For our department's fourth initiative we will develop partnerships to meet Alberta's human resource development needs, focusing on skills deficits, workforce planning, supporting increased workforce productivity, and improving relationships with workplaces.

Another example. David is a 21 year old who came to the youth

employment centre in Calgary. He was tired of working dead-end jobs. David completed a career planning inventory with a counsellor. He was then assisted in researching his options. David decided to become an electrician. He and his counsellor completed a resume. The counsellor then connected David with the Calgary Construction Association, who put him in touch with a journeyman who was willing to take on an apprentice. Six months later David is still employed as an electrician's apprentice.

We need to continue to develop and foster partnerships with all sectors—construction, tourism, agriculture—to ensure that Albertans like David can remain part of our vibrant economy. In our six delivery regions our staff are working directly with employers, business associations, chambers of commerce, and economic development authorities to get the word out. There are people who need to work, who want to work, and we can help employers connect with them.

The department's fifth and final initiative is WorkSafe Alberta. Our goal is to reduce workplace injuries by 40 per cent, and we're almost halfway there. In 2003 the lost time claim rate was down from 3.4 to a record low of 2.8. Our goal is to have it at 2.0 by the end of 2004. Consider these statistics. Someone is injured on the job in Alberta every 3.5 minutes. Last year there were 127 work deaths in Alberta. Emergency room doctor and injury researcher Dr. Louis Francescutti described this death rate as an epidemic. I believe it is 100 per cent preventable.

We will continue to reduce workplace injury rates even further and lower the health, personal, economic, and workers' compensation costs associated with preventable incidents. The funds we put in are an investment, \$13.7 million in workplace health and safety this year, a slight increase over last year. If WorkSafe Alberta is successful in meeting the 40 per cent reduction target, it could save \$220 million each year in WCB claims and assessments. We have hired 19 more inspectors, we had more convictions, and we've increased fines from \$150,000 to \$500,000, but we still have a long way to go. Injuries are down, but they're still occurring.

The key to WorkSafe Alberta is education. We have to get new workers educated in safe practices. One of our inspectors in Medicine Hat told me about something he saw last fall. He was parked in his vehicle across from a residential construction site. Workers were on scaffolding installing siding on a new house. A young worker was attempting to reach higher to get an extra section installed before he had to climb up to the next level of scaffolding. He couldn't quite reach, so he proceeded to grab a plastic bucket to stand on. Our inspector was about to yell up to the worker to stop what he was doing when the man's supervisor told him to stop and climb up the scaffold to reach. Later the supervisor told our inspector that he couldn't afford to lose anyone off his crew due to injury. Lost productivity, lost time, and lost lives: that's what WorkSafe Alberta is trying to prevent.

I would be remiss if I failed to mention a couple of other areas within the workplace side of our department. The first is employment standards. These folks ensure that employers and employees have balanced rights and responsibilities. In employment standards and other enforcement areas of the department our approach is to educate first, then regulate. An example: our officers provide training on how to calculate overtime and holiday benefits or how to arrange shifts and compressed work weeks. This year we will be devoting \$5.3 million to employment standards initiatives so that we can continue to help people and workplaces be fair.

One area of employment standards I'd like to highlight is partnerships. The Alberta Hotel & Lodging Association is working with our employment standards staff on a number of initiatives to increase their members' knowledge about the legislation and regulations.

The advice and information our staff can impart has been particularly valuable to the smaller members who do not have human resource professionals on staff.

Another component of our workplace investments is labour relations. In 2004-2005 we will spend about \$2.2 million on labour relations, a relatively small part of our budget but with a large and lasting impact. Labour relations is about mediation services to help disputing parties reach a settlement. Mediators make a difference. Employers and their unionized workers need to work together to meet training and sector needs, and it is important that the negotiations about wages and benefits not undermine the working relationship that is needed for other challenges. Mediators can help make workplace relations more balanced and productive.

Labour relations is also about ensuring confidence in regulated professionals, and it's about labour relations policy development. Alberta has one of the most stable labour relations climates in the country. Between 1999 and 2003 Alberta averaged the second lowest rate of lost time due to labour dispute at 217 days lost per 10,000 person-days' work, about one-third of the national average.

That concludes the department portion of the ministry.

The second component of the ministry is the Alberta Labour Relations Board. Last year's passage of the Labour Relations (Regional Health Authorities Restructuring) Amendment Act has set out a number of tasks for the board in the coming year. Previously the board concluded the runoff votes between unions as well as determinations and votes on collective agreements. This year the board will be providing mediation for those parties requiring it and adjudicating any outstanding issues from the mediation process. On a day-to-day basis the LRB will continue to resolve the issues brought before it with an emphasis on trying to settle disputes before they require formal hearings.

The third component of the ministry is the personnel administration office, the government's central human resource agency. PAO's budget of \$8.7 million supports the work it does to build a strong Alberta public service. The PAO collaborates with ministries on strategies committed to attracting, engaging, developing, and retaining the best public service employees. Success of attraction and retention initiatives can be measured in many ways, but a key indicator is the 80 per cent job satisfaction reported by employees of the public service in the 2003 employee survey. [Mr. Dunford's speaking time expired] What do I do? Do I ask for unanimous consent to go on?

The Deputy Chair: You could.

Mr. Dunford: Can I have unanimous consent to go on? I've got four more pages.

[Unanimous consent denied]

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

Mr. MacDonald: Thank you, Mr. Chairman. There is a long list of hon. members on this side of the Assembly who have expressed an interest in questions to the Alberta Human Resources and Employment minister in the time provided. Certainly, if my experience in the past month in budget estimates has taught me anything, it's that the ministers certainly have lots of time in which to defend the programs of their respective departments, and this minister is no different.

Now, Mr. Chairman, certainly this minister has worked very, very diligently where others have been less than diligent, and the proof is in the statistics in regard to people who lose their life as a result of

a workplace fatality. The minister and his department should be credited for working very hard to educate Alberta workers and employers about work safe sites.

When we look at the statistics and we recognize that fatalities are going down on the job sites, they're going up in other areas. These statistics are frightening. Last year, as we know, 127 Albertans died as a result of their work. There were 98 deaths in 2002, 106 in 2001, and the death toll in 2003 in total is the highest it's been in 17 years.

3:20

How does the minister track and record lost-time accidents and fatalities in Alberta's workplaces? Also to the minister in regard to this issue, which Alberta job sites are the safest? Those where workers are under union contract or those where the workers are not protected by a union contract? Does the department study that, and if they do study that, which are the safest job sites?

When will this government make all Alberta employers maintain the same occupational health and safety standards for workplace safety? Now, it's unfair of one employer or one group of employers to have an economic advantage over another employer or another group of employers if they know that they can avoid the occupational health and safety law and its regulations, so I would encourage the minister to make sure that we have a level playing field. Certainly, that's in the interests of everyone to make sure that there's a level playing field for all employers.

In regard to the working alone regulation that came about as a result of the passionate advocacy done by Deb Dore, who lost her daughter in a violent act of crime some years back in Calgary. This crime against Deb Dore's daughter was committed while she was working alone in a sub shop. The minister had a consultation process, and there were recommendations made.

I want to know now what sort of follow-up has been done in regard to that. What exactly is going on with this working alone regulation? Does the minister still consider it to be adequate? What sort of compliance numbers does the ministry have in regard to this? Which sector of employers are abiding by that working alone regulation, and which are not? Or have we simply left that up to voluntary compliance? What exactly is going on with this working alone regulation, and does the minister feel that it is working?

Also, before we move on to other subjects, Mr. Chairman, I understand that the department is working on regulations to govern NORM, and NORM is naturally occurring radioactive materials that are in the workplace. Naturally occurring radioactive materials show up in industrial process streams. One particular place they do show up is in fertilizer plants in the concentrated process stream that is involved in making fertilizer. Workers not only in that industry but in the petrochemical industry come in contact with what are known as NORMs.

Some individual companies, to their credit, have regulations in place to protect their employees from naturally occurring radioactive materials. I may have been incorrect, but I was left with the distinct impression that this minister and this department had a subcommittee set up to study this issue and were going to make recommendations in regard to naturally occurring radioactive materials. I would like to get an update on that. This is very, very important, particularly for workers who on a number of occasions as a result of their work have to enter a confined space or perhaps a pressure vessel doing routine maintenance and come in contact with these naturally occurring radioactive materials. So if we could get an update on that.

It's particularly important when one considers that the number of fatalities in this year's report from the ministry has increased significantly as a result of breathing contaminated air or high concentrations of smoke or high levels of dust over a period of time.

A lot of workers are developing respiratory illnesses that 10, 15 years down the road are killing them. So this is something I hope our government is working diligently on and we can report some progress to the workers who could be affected by this very soon. The death rates are going up for occupational diseases, and I think this could be one way of starting a gradual decline in the death rate.

In conclusion on this matter, certainly the good work the minister and the ministry have done could be continued if we had an education process to alert all workers and their employers about the hazards of poor ventilation on work sites and, if there is poor ventilation, the importance of providing correct respiratory protection and ensuring that the workers wear that respiratory protection, because the costs down the road are incredible.

Now, we see an increase in this minister's budget. In the 2004-05 budget there's an increase of \$15 million over the 2003-04 forecast, but unfortunately there hasn't been an increase for those who need it most. Now, I don't know how this government can justify putting more and more gambling revenue into the horse racing industry. They have their own frequent flyer club, extensive travel, and there's no shortage of money for communications budgets. We can increase all those. Government spending in the years that I've been in the Assembly has increased by 50 per cent, Mr. Chairman, but we do not seem to have any money for those in this province who need it most, and those are Albertans who are living on assured income for the severely handicapped or those receiving money through supports for independence.

Now, the majority of people on those assistance programs cannot work. The minister has talked about other people, and that's wonderful. That's good news. I'm glad we have programs that can help. In a province as rich as ours we cannot forget some of the most needy and their families. We can talk about many things. We can talk about having skills investments, and we can have lots of programs, but the majority of these citizens through no fault of their own unfortunately cannot work for any length of time. Many of them have mental illnesses. Some have a disability of one sort or another. When we look at what we expect them to live on, it is simply not enough.

3:30

Now, we have as a province certainly outperformed the rest of the country in job creation. We have enormous resources, which are in global demand, and we should count our blessings. Our economic productivity was higher than other provinces, but it's interesting that real wages – real wages – have stagnated during this last decade of growth and prosperity. We have to wonder not only about the minimum wage, which hopefully I'll get an opportunity to talk about, but how are we going to convince this government that we need to increase the benefits for those on AISH and SFI? I think it is a disgrace that in a province as rich as ours we have some of the lowest benefits in the country. Why are we continuing to punish the poor?

Now, for welfare benefits and if we look at the types of households, Mr. Chairman, for a single employable in this province our rank is eighth in the amount of money that we provide; persons with a disability, ninth; single parent, one child, 10th; a couple with two children, fifth. We have to treat our poor citizens better. For a single parent and one child with a \$12,000 a year income and even if you include an additional \$3,000 in tax benefits from the federal government, this is very difficult to live on. I've asked members of Executive Council if they could live on that, and the question was essentially avoided.

When we look and we compare, Mr. Chairman, not only those amounts but have a quick look at the reduction in constant dollar

welfare benefits in Alberta between 1992 and 2002 and if we look at the households involved, the 10-year benefit reduction, a single employable person has lost 28 per cent of their income, a person with a disability has lost 7 per cent, a single parent with one child has lost 28 per cent, and a couple with two children has lost 30 per cent. So that's in a decade, and that's deplorable. It's shameful.

When we look at utility costs, for example, and what this government has done with its energy deregulation policies and the increased use of user fees, we should be ashamed of ourselves.

We have to look after everyone, because in a caring, compassionate society it has to be recognized that not everyone is able or is up to the challenge to provide for themselves.

[Mr. Lougheed in the chair]

Now, the Alberta government – and this is a sensitive topic for the government – diverts some federal funds from welfare programs to other provincial programs. I think we have to have another look at this. Are we taking money off the table that could be used to provide food for children and using it for other purposes? If we're not going to look at this in any other way, I would ask the government to consider the children. Consider the children of those households where incomes are very, very modest because of this government's lack of attention on poverty-related issues.

We can divert enormous sums of money to any number of issues. I'm not saying that they're not worth while, but why can't we spend a few dollars on the most needy in this province to improve their quality of life? This is unacceptable when you consider that inflation has affected those households in a significant way.

I know that poverty lines and low-income cut-offs – that's a debate in itself. But if the government needs one more reminder, let's look at Alberta's rank among provinces for welfare benefits as a percentage of the poverty line. For a single employable, again, we rank eighth. For persons with a disability we rank 10th. For a single parent with one child we rank 10th. For a couple with two children we rank sixth.

It is clear, it is without debate that the poorest Albertans, you know, those living on welfare, those living on AISH, have taken a terrible economic hit over the last decade. There are over 12,000 families trying to survive on SFI benefits. They can no longer be used in the manner that we are treating them. If for no other reason, please think of the children in those households. We can talk about having this market-basket measure all we want – and I'm looking forward to seeing what's in that market basket – but we've got to make a commitment to put some necessary items in that market basket.

We are talking about skills investments, \$10 million less for skills investments than forecast for 2003-04. What would that be and why?

Thank you.

The Acting Chair: Thank you, hon. member.

Mr. Dunford: It was good of the hon. member, despite not allowing me to continue on in my speech, to compliment us on a number of areas, and if he liked us in those areas, he should like us in the following areas as well.

I want to talk about the personnel administration office and the fact that they continue to lead a key administrative initiative across the government called the corporate human resource development strategy. This strategy has brought a concerted focus to key human resource issues facing the public service, including the need to build leadership capacity and to attract and retain talent. For example, as

of January 2004 approximately 43 per cent of all executive managers have participated in the corporate executive development program.

The PAO has established ambassador and internship programs to promote the public service as a positive career choice to seek out new talent. There are currently 180 ambassadors from across the government. The internship program continues to expand. More than 214 interns attended nine networking events on a variety of development issues over the last year. A newsletter called *GAIN* for sharing information with and about interns is being published on a regular basis.

The PAO has been using new technologies to receive applications for government jobs. Seventy-three per cent of applications are now received on-line. This is a 40 per cent increase from 2002-2003.

3:40

A key focus this year for the PAO is assisting ministries in establishing workplace health initiatives such as reducing workplace incidents and enhancing the abilities of employees to remain healthy. Deputy ministers will be reporting on their ministries' workplace health initiatives this year.

The fourth and final component of the ministry is the Appeals Commission for Alberta workers' compensation with a budget of \$6.9 million. The commission joined the ministry in September 2002. Established under the Workers' Compensation Act the Appeals Commission is a separate government entity independent from the WCB. The commission hears appeals from workers or employers on decisions of the review bodies of the Workers' Compensation Board. The operating costs of the Appeals Commission are paid from general revenue, which is reimbursed from the WCB accident fund. The accident fund is made up of the assessment contributions of employers. The Appeals Commission continues to bring about changes to make the appeals system more open, transparent, and accountable.

The Ministry of Human Resources and Employment has been an active part of thousands of Albertans' lives over the year and will continue to be over the year ahead. This year Alberta Human Resources and Employment will invest \$1.148 billion, the fourth highest budget in government, for Alberta people, skills, and workplaces. These dollars come with personal stories and make a difference to people every day in many communities across the province.

So with that – we've already had some comments and some questions – I'll answer what I can this afternoon, and then, of course, we'll provide written answers.

Not to deal with Edmonton-Gold Bar's total presentation but just a couple of comments in order that wrong impressions not be left here in the House of the Assembly or for anyone who might happen to be studying *Hansard*. He mentioned the arrangement that we have with the federal government under the national child benefit program and how when the federal government provides additional funding in terms of income to low-income Canadians, and in our case Albertans, every jurisdiction – this includes all provinces and all territories – has the ability and the responsibility to determine whether or not there will be that increase in income and whether the situation is to be left alone or whether there are opportunities in which to maximize, then, some other support systems for welfare people.

I want to indicate to the hon. member and to members of this House that each year the Ministry of Human Resources and Employment will make a decision once we have the quantifiable number that arrives from the federal government. In every case where there has been a decision to allow the income to move forward, then of course that's been the case. There's actually been an increase in the income

portion for a low-income Albertan, but in those cases where we have determined that there are more important factors than just simply income, then what this government has done is looked at the funds that would otherwise become available, and we have used them for other benefits for low-income Albertans, and we have especially focused on families with children.

I would direct the member's attention to a business plan or to any of the documentation that surrounds Alberta Human Resources and Employment, to an excellent program called the Alberta child health benefit. I don't have the number exactly in front of me – certainly, we can confirm this at a later date – but by providing for dental care, providing diabetic supplies for children, emergency services, eyeglass or sight assistance, we've been able to assist I believe the number would be 65,000 children here in Alberta. So we don't need to be hearing anything from any member of this House about how we strip funds from the welfare program in order to put them into other areas. Similar to what we have done for seniors and other programs, we move money around, but we keep it in there for the benefit, then, in this case, of low-income Albertans, low-income families and their children.

It's pretty easy to pick apart a particular program and just focus on one aspect of it, and in this particular case the member picked on the levels of income and made some comparisons with other jurisdictions. As far as income goes, that would be fine. The numbers are there. While he used the word "shame" and other inferences, I stand here without shame in this particular area because what we have done in Alberta is substituted benefits in kind for income.

For an example, if we were to look at all of the health benefits, the medical benefits, some of the work allowances, the clothing allowances that we make and if we were to gross up those benefits, then, to relate to only a comparison in terms of income, of course we would substantially move upward in that comparison.

I would caution the hon. member and all hon. members not to get totally oriented and focused on the income level. One of the things that research is showing people that have an interest in this particular area is that if the support through welfare in terms of income gets above certain levels, then what we have is the construction of what is now called the welfare wall. A welfare wall means that there is an opportunity for a person to determine whether or not they would be better off working and contributing and being productive in the general economy versus it being worth their while to stay on welfare.

So while I have some understanding of what other jurisdictions might be doing in this area, I don't know to the nth degree all of their particular policies, but the thing that I can tell you about this government that is governing Alberta is that we administer ourselves with a couple of philosophies. One of the main ones is that there is inherent and redeeming value to work.

With that belief, then, we are going to administer our programs in such a way that there will always be the incentive for those who can work so that they will seek and retain work within the workplaces here in the province. This is fundamental to understand what it is that makes up the Progressive Conservative government of Alberta in this particular era.

The other thing that is a philosophy, that is an integral part of how we think, is that we're prepared to provide people with a hand up when they are in need of support. We are not in the business of providing handouts.

So when one looks through our business plan, when you look through the estimates and you want to discuss, criticize, you must understand that we are in the business, in terms of human resources and employment, of moving people away from dependence on government and into the personal independence, the personal responsibility of being able to provide for themselves and their

families and to be able to then pride themselves first of all on the work that they do, on the product that they produce, and of course on the benefits that come with responsibility and with productivity.

On that note, I think we'll wait for the next series of comments.

3:50

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

Mr. MacDonald: Thank you, Mr. Chairman. I have some more questions for the minister in regard to his department, and I will start with the minimum wage. Certainly, it needs to be increased. I don't know if 30, 35, or even 50 cents is enough. I would think that in light of the time that has passed and the inflation that has occurred, a \$7 minimum wage in this province would not be inappropriate.

At \$5.90 Alberta has the lowest minimum wage in Canada, and that's almost a dollar less than the national average. So if we were to increase our minimum wage to \$7, let's say, we would be just about the national average. We don't have the national average in electricity prices for domestic use. That's significantly more than the national average. If for no other reason than that, we could look at increasing the minimum wage by that much.

The minimum wage should also be reviewed annually. Our compensation packages in this Assembly are reviewed annually. If it's good enough for us, why is it not good enough for those working for the minimum wage? The minister could take a real leadership role in this and organize this annual review. Some of his crackerjack officials, students who may work in the hospitality or the service industry who work for the minimum wage could be involved. The hotel restaurant association also could be involved. It could be reviewed on an annual basis instead of this – I don't know how you could accurately describe what's done now.

You know, the policy resolutions at the Progressive Conservative convention: well, if that's what it takes to raise the minimum wage by \$1.10, \$1.05, so be it, but it needs to be done and it needs to be done now. Certainly, I would hope that the minister would take the advice of this side of the House and increase the minimum wage and then initiate an annual review to see if it needs to go up even further.

Now, certainly, there are other issues, and there are so many parts of this department. It's a very interesting department. I'm not saying that the others are not; for instance, the Gaming, or gambling, ministry. It's interesting also. The hon. Ministry of Human Resources and Employment is certainly an interesting department.

On Saturday I was looking through the newspaper, and there was an ad in one of the daily papers – it could have been in both of them – on recruitment for the Appeals Commission. I asked a question some time ago, Mr. Chairman, in regard to an apparent change in direction at the Appeals Commission and matters of the WCB. I for one am surprised whenever there is this argument presented, not only by this minister but by others, that they're independent from the WCB process.

This minister, as I recall, correctly stated that he was directly involved with the Appeals Commission and, certainly, the changes that have occurred there, but in light of the fact that there seems to be this decree – I don't know what else to call it – from the government that advises MLAs appearing before the Appeals Commission, that may not be in anyone's best interest. This is inappropriate.

[Mr. Shariff in the chair]

Now, what other boards or what other quasi-judicial tribunals other than the Appeals Commission are we talking about here? Certainly, there are appeals boards for AISH, and there are appeals boards for SFI, and seniors' benefits would certainly be another one.

Are those quasi-judicial tribunals also affected by this order, however it works? I wasn't informed of this. Government MLAs, obviously, were informed of this, but I wasn't.

Mr. Dunford: What are you talking about?

Mr. MacDonald: I'm talking about government MLAs appearing before the Appeals Commission on behalf of constituents. We had a question in the Assembly about this, oh, a month ago, Mr. Chairman, and this was information. I tabled it for public view.

This would be dated December 16, 2002, from the hon. Minister of Human Resources and Employment to the chief appeals commissioner, Mr. Pheasey, on MLAs appearing before quasi-judicial boards or tribunals, and I can read it for the members' interest.

Following our conversation, I have attached a copy of a memo from the Honourable . . . Minister of Justice and Attorney General regarding the concern of MLAs appearing before quasi-judicial boards and tribunals.

[The MLA from] Airdrie-Rocky View and Caucus Whip also sent this memo to all Government MLAs explaining why it is inappropriate for MLAs and Minister's to appear on behalf of constituents. I am confident the concern is perceptual that an MLA or Minister would be intervening in a quasi-judicial matter. You may want to share this information with your staff.

Signed, recognizing that we're in the Assembly, the hon. Minister of Human Resources and Employment.

That's essentially what that memorandum stated. There are others. There's another one dated October 25, 2002, from the Minister of Justice to the hon. Member for Airdrie-Rocky View.

I don't know what sort of problem there is with this. Does this also apply to, as I said before, other boards where a person representing a constituent may appear on behalf of a seniors' benefits appeal, an AISH appeal, or an SFI appeal? I don't know how many boards would be affected by this. I don't even know why and how all this happened. If the minister could not only enlighten this member on this but also the House, I would be very grateful. There are documents. I'm sure I tabled them, but if I haven't, Mr. Chairman, I apologize to the minister and to the House. I thought that I did after that question.

I think this is a very important matter. If it was all MLAs, I certainly wasn't informed. I've polled my colleagues, and they haven't been informed. What would the need for this be in the first place? I got a book, for instance, whenever I signed on, and it was a book basically dedicated to MLAs to make them understand the complex system of the WCB and how it all works and the old appeals process and the new appeals process. Why go to the time and effort of producing such a document if people are encouraged not to go before the Appeals Commission? I would just like to know where we're coming from on that.

4:00

On the Appeals Commission as well, while we're there, Mr. Chairman, I have some concern. I have received recent correspondence in regard to the Appeals Commission and a perceived apprehension of bias by a party that deals with the Appeals Commission on a routine basis. This party would be an advocate. Certainly, in section 11 of the WCB act "the Minister is responsible for the Appeals Commission." That was acknowledged in question period about a month ago in the House. But I'm concerned about the issue of confidence in the whole appeals process. This issue I don't believe is isolated. Other advocates are also expressing the same concerns. They maintain that there are errors in jurisdiction and/or application of policies, and these always occur to the detriment of the injured worker.

There's one specific Appeals Commission hearing chair mentioned here, and that would be Mr. Otterdahl. This is of huge concern, and I'm quoting again here from this correspondence: on several occasions we have objected to Bruce Otterdahl chairing a hearing; we believe that there is a body of evidence which shows that a panel chaired by Bruce Otterdahl issues decisions that contain errors in justice and/or application of policies; as a result reconsideration panels granted new hearings; a number of these new hearings resulted in the new panel issuing a total opposite decision, end of quote. Now, this is quite a serious issue, and I wonder what the minister is doing about it.

One solution to this matter that has been suggested in this correspondence would be to have the Ombudsman's office conduct a review and issue a report. They go on to say in here that there's a precedent for this type of action as a result of an incident at a Calgary WCB office. The minister at that time, in 1992, had the Ombudsman conduct a review and a public report on that matter. I'm wondering, in light of these allegations and to improve the confidence in the whole appeals process, if this minister at this time would not consider taking the initiative that was used by a former minister of labour in 1992.

I don't know how this whole appeals process is going to work out. I don't know if there are going to be any changes in the future on how we're going to appoint appeals commissioners and other individuals to the Appeals Commission. Certainly, there are restrictions and limitations in the WCB act in regard to those appointments. I have brought up that issue in the past with the minister, and I would like to know if we are going to be looking at any changes in how we appoint individuals to the Appeals Commission. It has been brought to my attention that previous employees of the WCB have gone on to work for the Appeals Commission, and I am of the understanding that that was not to happen because of the WCB act.

Now, with those questions I will take my seat and wait for the hon. minister's response. Thank you.

Mr. Dunford: I just want to address a couple of things that are coming out this afternoon. First of all, on the minimum wage I don't know if I've had an opportunity to put some of my thoughts into *Hansard*. Perhaps through question period I have, but this would be an excellent opportunity to of course do that.

I want to assure all of the members of this Assembly that I view minimum wage as a tool of economic policy, and as a tool of economic policy, then, I believe that what is inherently important are levels of unemployment. That being the case, there are some interesting situations that start to arise as one analyzes the material and especially when one looks at unemployment rates amongst young workers, and the definition of young worker would be between 15 and 24.

I think that as an answer to a question in question period I indicated that the correlation wasn't perfect, wasn't a 1.00, but there were indications that it would probably end up close to that. If you make a list just on a piece of paper and start at the top of the page, plug in British Columbia, for an example, with the highest minimum wage, and just go all the way down till finally you find Alberta down there at the bottom at \$5.90, then what you should do is get the most recent Stats Canada numbers and start up at the top of the list with the province or territory that has the highest number of unemployed and just go right down the list. Then look at a third list and look at what province has the highest unemployment rate amongst youth, and you'll find B.C. would be right at the top, and just list it right down.

As you go across, you're going to find a tremendous correlation

of those provinces, and I would indicate, then, to the hon. member that based on that evidence alone, I would rest a case on the minimum wage.

The anecdotes that people provide me with: oh, this person's been working at minimum wage for six months, five years, whatever it is. Just advise them: go down the street. There are all kinds of for-hire signs on the windows and the doors of Albertans. Have them look at newspapers. Have them understand that 80 per cent of the jobs that are available never show up in newspapers. Have them go knock on some doors. No reason for anyone to be working at minimum wage in Alberta. The fact of the matter is that if we look at the numbers of people that are on minimum wage in Alberta, at 1.1 per cent, I mean, we can scoop up those folks in a heartbeat into other areas and, might I say, more productive areas.

Now, I'm not here trying to preach that people leave the mom-and-pop shop at the corner to go and find other work if they like working at the mom-and-pop shop. But if they like working at the mom-and-pop shop for the \$5.90 an hour, don't come and whine to me and have me try to give them an increase on the backs of the mom-and-pop shop. You know what? We're not going to do it that way.

Now, I don't disagree with some sort of mechanism to be put into place to review this on a periodic or even on an ongoing basis, but that'll have to be determined at another time. As indicated in my opening comments, currently as I stand here in front of you today there is no initiative that we have on our books right now to look at the minimum wage.

4:10

On the Appeals Commission side we have worked very hard to try to provide not only an independent tribunal, because many would argue, and I think successfully, that even before our ministry took the Appeals Commission inside our own shop, they were working in an independent fashion, but certainly the perception was not there. When you had an Appeals Commission that was tied so closely to the Workers' Compensation Board, whatever the reality was, it was being hampered by the very perception that an Appeals Commission constructed that way would not have the independence required for a modern and effective Workers' Compensation Board system.

So we made those changes. We took them into our shop to try to provide a better perception, then, of independence, and I think we're achieving that. We've got a way to go, but I think we're headed in the right direction. Some of our severest critics have now started to I think recognize, you know, that we're working very hard in trying to resolve those particular issues.

Now, I'm absolutely sure that the hon. member tabled the documents that he's referring to regarding MLAs appearing at quasi-judicial boards. I'm advised by colleagues of mine that perhaps there are some issues around natural justice as to whether a person that holds a political position in fact should be doing that. To my knowledge, even though there have been concerns that have been expressed – and perhaps coming out of this discussion today there's going to have to be some kind of a determination made by the government – I do not believe that I have instructed any of the quasi-judicial boards that are under my responsibility not to hear a situation if, you know, an MLA shows up to represent their constituent. I don't think I agree with it, but I don't know that I've ever said that an MLA cannot do that.

I think it's unwise. I think there are all kinds of ramifications that can happen, especially for the MLA, especially if the appeal that they're making is turned down. I mean, how does he live with that constituent? But, in any event, I believe that to be a decision until further definition from the people that I report to. Again, while I

don't like it, I don't know that I've ever said that they couldn't appear. I don't know why they would listen to me anyway.

Appointments to WCB Appeals Commission. Now, this is one area where I have to admit to the hon. member that I consider myself to have failed. When we started to try to revise and modernize and streamline and all that other stuff the WCB system in appeals, I tried to remove the notion that appeal commissioners would have to be representatives of either employees or employers. I wanted the best people that were available, and if we needed 10 appeal commissioners, I cared less whether they all came from union ranks or they all came from teachers or business people or, you know, where they came from. I wanted the best people that were available.

We found that as we went around and discussed these proposed changes with stakeholders, we just could not get through on this particular point. There is still mistrust in the system. The employee representatives want to make sure they have their employee representatives on the Appeals Commission, and employers want to make sure they have employer representatives on the Appeals Commission. So we've proceeded in that fashion.

I don't like it. I think that all it does is perpetuate a confrontational type of arrangement within these quasi-judicial boards. I think it puts undue hardship on the person that has been appointed. Where are the loyalties? Sure, I can be appointed as an employee representative and I'm there to keep the interests of the employees in mind, but if the employee has no case, the utmost responsibility should be on a good decision on that particular case. Yet if there's somebody back somewhere in an employee group or an employer group that's simply adding up wins and losses, you know – I think it's a situation that could be done a lot better.

In any event, what we are doing as far as appointments are concerned is that I've instructed the chief appeals commissioner to develop a set of competencies, and we will publicly advertise positions for appeals commissioners. Those that qualify under those competencies will be further screened and prioritized and sent to me as the minister so that I can do my job in taking those pending appointments through the orders in council to then provide them with the authority to sit on an appeals commission board.

With that, Mr. Chair, I'll be ready for the next set of questions.

The Deputy Chair: The hon. Member for Calgary-Montrose.

Mr. Pham: Thank you, Mr. Chairman. Thank you for the opportunity to join the debate on the budget of the Ministry of Human Resources and Employment. Before I begin, I would put on record that this minister and his ministry have done an outstanding job to provide service for many, many Albertans, especially for underprivileged Albertans, and for that I would like to thank him.

If I am going to stand here and list all the good things the minister and his ministry have done, I don't think there is enough time. I just want to make sure that that is on the record because next I'm going to focus on two weak areas of your ministry, and that doesn't mean that reflects badly on you or your ministry at all.

The first area I want to focus on is the WCB. This area is still a very troublesome area judging by the number of constituents who come and see me every week about their problems. For me it is a very, very complicated issue because we have a system where there is absolutely no accountability at all on the part of the WCB. When it comes to dealing with long-term injured workers, the WCB still follows a practice that they help these people for about two years and then they kick everybody off, and all of these workers have to try to prove their way back into the system.

4:20

For the small percentage of people who are successfully able to

find their way back into the system, WCB just gives them back the money that they owed them in the first place. So there's nothing there to encourage the WCB to do the right thing. There's every incentive for the WCB to force everybody off to save money.

Very few people in our society realize that the WCB may be the only organization in our society that is not under the control of the government, that is not under the control of the employers, and that certainly is not subject to any court challenge at all. When you have that kind of power and you have nobody as your direct boss, it can easily lead to abuse.

I have helped many workers dealing with the WCB, and what I found was a very frustrating experience. One case that comes to mind was last year. I brought it to the minister's attention. I helped that injured worker for 15 months to deal with the WCB. When he first came to my office, he brought with him the medical discharge report from the Columbia rehab centre. On that report it said clearly that this injured worker couldn't stand for more than one minute, could not walk for more than one minute, and could not sit for more than six minutes.

At first I thought that it was a mistake by the WCB, so I assured my constituent that it could be taken care of. I wrote to the case manager, and the case manager wrote me back, and then we took that case through the first level of appeal. At that time it was the Claims Services Review Committee. The Claims Services Review Committee reviewed all the documents I sent to them, and then wrote on their decision paper that they deemed this person fit and able to return to work. They also put on there, knowing the restriction, that this man cannot stand for more than one minute, cannot walk for more than one minute, and cannot sit for more than six minutes. It was so unbelievable.

I took the case directly to the CEO of the WCB. I sat across the table from him discussing that case with him for two hours. He gave me a written response still quoting these numbers and then saying that this man was fit and able to return to work. Nobody in their right mind could come to that conclusion with those restrictions.

Because of that, I talked to the minister and decided to bring the question to the floor of the Legislature. Miraculously, only after that did the WCB bother to correct the record and send out a note saying that: we have checked it out; his restrictions are 10 minutes for standing, 10 minutes for walking, and 60 minutes for sitting.

That proves a very, very important point. Through those 15 months, regardless of this person's condition, the WCB was under the belief that his restriction was one minute sitting, one minute walking, one minute standing, but they ruled against him anyway. That's systematic right from the top, from the CEO down to the case manager. The restrictions that we had there did not have any influence at all on their decision. Because of that, more and more people today are coming to us and saying that when the WCB has a monopoly and is unaccountable, it equates to a disaster, that injured workers, especially long-term injured workers, have nowhere to go.

A few years ago I brought to the House, to the Legislature, a piece of legislation, a private member's bill, and I believed it could solve the problem. We have to open up the system. We have to allow competition there to ensure that injured workers have a choice, that the workers have a choice of who they want to take their insurance with. That is the only way we can take that out of our hands. Today, even though we say it's arm's length from us, we're still morally responsible for it because we gave the WCB the monopoly, and the injured workers in our society have nowhere to go.

This ties very neatly into the second subject I'm going to discuss today; that is, the area of AISH. As we all know, AISH is a program that we set up in 1994, the assured income for the severely handicapped of Alberta. This program is there to provide financial and

health benefits for the small percentage of our population who are severely handicapped and cannot work.

We haven't seen any increase to the financial benefit paid to these people since 1994. This is almost 10 years ago. This bothers me greatly because over the last 10 years inflation has gone up. The cost of living has gone up. The cost of housing especially in Calgary, where I come from, has gone up significantly over the last 10 years. So the financial assistance that was okay 10 years ago becomes relatively inadequate today.

However, if you look at the total budget, the total amount that we do spend on AISH, there is a significant increase each and every year. The problem that the minister mentioned earlier is that the rapid growth rate of the AISH program is much faster than the population growth rate in Alberta. Part of that, I suspect, is because there are many of those people who are on AISH today who should be on WCB. Some of the long-term injured workers who were denied WCB benefits in fact ended up on AISH, and this poses a very interesting dilemma because under the same watch of the same minister we have one person who is classified as fit and able to return to work by WCB and at the same time that same person is deemed as severely handicapped by his ministry.

Under one minister, under one ministry, should we allow this kind of conflicting information to exist? Can we say that both agencies are correct? Can we say that AISH is correct in deeming this person severely handicapped or that WCB is correct when saying that this person is fit and able to return to work? You know, one of them has to be wrong.

If we can get those people who theoretically speaking should be looked after by the WCB back to the WCB and stop the WCB from off-loading their responsibility onto the backs of the taxpayers of Alberta, maybe we can free up the resources to help the people who are on AISH today to see their benefits go up.

Mr. Chairman, when I raise these issues, I realize that they are very, very complicated issues, and this minister has tried to do more than many other people that I have seen in the past. So I feel that it's a little bit unfair to sound like I'm criticizing him, but it is not. These are just the facts, and these are very, very important facts because they affect the people who are the most vulnerable in our society, the long-term injured workers, those people who are on the verge of losing everything that they have: their family, their house, their own health, and sometimes even their own lives. So I feel obliged to speak out on their behalf because without people doing that, who will look after these people?

The same thing for AISH clients. These are people who are severely handicapped. They cannot go out and find employment. They are not bums; they are not lazy. I would applaud any effort we can make to find more money to help these people

Thank you, Mr. Chairman.

The Deputy Chair: The hon. minister, followed by the hon. Member for Edmonton-Strathcona.

Mr. Dunford: Well, thank you very much, and thank you to the member. This type of government style that we have would not work if we didn't have constructive criticism, constructive coaching coming from wherever it should arise. Certainly, I acknowledge the difficulties that the hon. Member for Calgary-Montrose has had, especially in the anecdotal evidence that was presented on that particular case. I don't know whether anybody would be consoled by this, but perhaps he will be to some extent. I don't know how many hours we have spent on that particular case. It's one of those that just doesn't seem to fit into some sort of easy resolution, so it will be ongoing.

4:30

I'm pleased to report to not only the hon. member but to others here in the House that those kinds of cases really are reducing. Ten and 11 years ago, when many of the members here in the House were first elected and came up here and started to deal with constituent concerns, there was a real serious issue around workers' compensation in this province. There were huge bodies, advocacy groups that were being formed working against the Meredith principle of workers' compensation, on which the Alberta compensation system is based, and I think it was in jeopardy. I think it really was.

There were calls then for privatizing a compensation system. Periodically there still is support, but with some of the recent situations that have happened in jurisdictions where workers' compensation has been privatized, there would be a cause, then, to question that support.

There's no question about the WCB system being a monopoly situation, but in most cases, by most standards of measurement I believe that you could call it a benevolent monopoly, and one that is truly working in terms of the provisions of WCB. They were simply that in place of the ability to sue an employer when a workplace incident happened that led to an injury or to a fatality, employers would collectively provide, then, a system that would do two things: one, it would take care of the injury, and then, secondly, it would provide rehabilitation to get the worker back to work or back into the workplace if they were no longer able to do their previous work.

One of the psychological issues that we deal with on a constant basis in this area is that when a worker suffers severe trauma and then once they're over that and they're in the rehabilitation area, quite often we run into cases where they want to make whole again. They want to be back to, you know, where they were previous to the incident, when they were 10 feet tall and bulletproof. With some of these injuries, Mr. Chairman, that's just not going to happen. They will never ever, ever be the same again, so the relationship then becomes a very delicate one as to what is the meaning of that Meredith principle in terms of getting them back into the workplace.

I mean, there are people there that are hired and trained and all that type of thing to do that, and it's not my position to make those kinds of decisions. But in terms of questioning the accountability, I have to be held accountable to some extent. I can't off-load the responsibility that the minister has to see that an act, you know, is being administered, so there's some accountability that way.

Certainly, the Lieutenant Governor in Council appoints the actual members of the board of directors of WCB. Now, here again we get into one of these areas where there shall be members representing employers, there will be members representing employees, and there will be members representing the public, so we have this confrontational kind of situation that could develop with the appointments. But as far as I can tell, with the tremendous job that the previous minister did in this portfolio and the job that I've tried to emulate, you know, we have a board that is functioning as a board of directors should be.

They've tightened up some of the financials. They've moved away from subsidizing employer assessments just because we had a bull market, as we did through the late '90s, when injury assessments were allowed to fall below the actual level that they should have been based on injury, so it was hiding the true fact here in Alberta that Alberta was a more dangerous place to work in than what one would ordinarily think in comparing WCB assessment rates. That has all changed. We no longer allow subsidization by an investment portfolio to impact on the WCB assessment. An industrial sector, you know, a sector that's covered by WCB, must pay the assessments that are indicated by the injury rates within that sector.

This is another reason, by the way, that every member in this

House should be supportive of health reform. Not only Progressive Conservatives but Liberals and representatives of the NDP should be supportive of this area because the injury rate is clogging up the system.

Part of the difficulty we're having with increasing WCB costs in a time when the injury rate is actually going down is – well, there are two reasons for it. The primary reason is, first of all, an incredible increase in the cost of drugs that are used to work on the injuries and, secondly, the wait times. People cannot get into the system without WCB starting to take, now, extraordinary methods to provide for treatment of injury and rehabilitation. As a matter of fact, they now contract for time in operating suites in the Leduc hospital and have had a tremendous improvement in reducing the time it takes for a WCB claimant to receive the kind of orthopaedic attention that they're requiring.

One thing that intuitively one would believe, just as the Member for Calgary-Montrose does, is that if you have people that are being kicked off WCB, they're going to end up on AISH, and that's probably quite true if it turns into a severe handicap. I want to indicate to the hon. member that I, as a matter of fact, in my first term and the first couple of years in my second term was quite public about how I thought that inaccurate decisions on injuries within WCB were in fact off-loading the situation onto taxpayers, that we were then supporting income through our AISH program.

So when I became the minister, I had the opportunity to try to do something about it. One of the things that we did, then, is that we commissioned a study to try to track as best we could the names – and there were some privacy issues, but we had to try to work around those, and I don't think we violated anybody's privacy. In any event, we tried to use what information we had through AISH and correlate that with the information that was available to us through WCB.

4:40

Again, not having the study in front of me, after the study of an incredible number of cases in the databases that were available to us, it was a very small percentage of AISH cases that we could relate back to work injury. Even if we could relate it back to the fact that the person may at one time have been on WCB, we then immediately ran into that clash of jurisdiction: you know, was this disabling condition now a result of a previous work injury, or was something else involved? So we weren't able to draw any clear conclusions on that, but that's something that with the health information now as we advance in technology, it will be worth while to take a look again on a periodic basis.

I do agree with the member in that sense. If a person is unable to work and the reason for it is because of an incident that happened in the workplace leading to that injury and that disability, then it ought to be the employers of this province that are funding that person, you know, back to work or for the rest of their lives, if that's what the case is, and not off-loading to the backs of taxpayers through either Alberta Works or AISH.

To gently correct the member if I can – because after all he did say extremely nice things about me, and I want to maintain that level of co-operation – AISH was formed in 1982. It's gone through some revisions and that sort of thing over that period of time, and I believe that the last increase in the AISH program was 1999. In any event, he's quite right. It's been a long time since we've increased the income levels in AISH, and it's something now that under the legislation we have to do this fall.

You know what? I think there's justification for looking at income levels in this area. Many of the 32,000 people that we have on AISH do not have assets. They don't own a car. They don't own

a house. They're in shelter situations and sometimes shared accommodation. They're trying as best they can to get by. Yes, the question is there: can you get by on \$850 a month? Unfortunately, as the member pointed out, we've had tremendous increases, actually, in the AISH budget line item. We're now up to \$393 million that we're spending in that area, but again to reaffirm what the member has said, we have found in the past and currently it's still happening that the AISH caseload is increasing faster than the demographics.

Now, in case people reading *Hansard* wonder what the demographic is, basically it's increasing faster than the normal growth that we're seeing within the population. So something is happening there, and we have to find out what that is.

The other thing, and again the reason for NDP and Liberal support for health reforms with the government, is that tremendous increase in medical costs. That's what's eating the lunch of the AISH budget, and that's what's holding us back from looking at various things that we could do within the AISH program.

Before I leave it and just in case AISH doesn't come up again this afternoon, I want to say that the other thing we need to look at with AISH is whether or not we've got it right. What happens now is a person comes and applies for AISH funding, and of course there are all kinds of criteria, and I'm not going to object to the criteria. They actually have to become eligible from an income standpoint for AISH, and then, even if it's just a dollar or something, they'll get a medical card. But many benefit plans are indexed to a consumer price index or something, so we have many, many people in Alberta that are actually not eligible for AISH even though they're severely handicapped because their income might be a dollar or \$5 or a hundred dollars over the allowed AISH income entry level. It's a rhetorical question here in the Assembly today, but it's going to be a question that will be put on the agenda when we have our formal AISH review this fall.

We've got it the wrong way around. What we should be looking at is: does a severely handicapped person need help with the medical issues that they have, having access to a medical health plan? Once that's stabilized, then let's look and see: well, now, what do they need for income? So I think there's a major, major revision that we need to at least analyze in this review this fall.

I think I got myself off on a small digression, and I want to come back to it in case AISH doesn't come up again. I talked about the people that really had nothing and that they probably needed some more income support. A good way to pay for that, ladies and gentlemen of the House, would be to look at the basic unfairness of the income support program under AISH. When you have somebody that can own a house, can own a vehicle, can own a second vehicle if it's been remodified to fit the disability of that person and when they could have \$99,999.99 of cash in a mattress where they're not getting any income from it, basically, then, they could stand side by side with that person who has nothing – has nothing – and the two of them are going to get the same income. There's a basic unfairness to this program, and we need to get that resolved.

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

Dr. Pannu: Thank you, Mr. Chairman. Rising as I am at nearly the end of the debate, there are advantages to it. Most of the questions have been asked, and the minister has addressed some of them at greater length than others. So there are advantages to it, and the disadvantage, of course, is that the time remaining is short. The minister may not have the time to answer the questions that I will have, and I'll have to work hard to frame questions that don't run the risk of repeating what has already been asked.

Since the minister was, before he just sat down, talking at some length about the AISH program – and he did that just in case, he said, questions about AISH don't come up again – I am going to ask some questions about AISH.

The minister has now been in charge of this program and with the current responsibilities associated with his portfolio for over three years, since 2001. I have heard the minister several times, and I've asked him questions and other members in the House have asked him questions about the need to revise upwards the AISH income component of the assistance that needy Albertans receive. He's returned to this basic unfairness of the system.

4:50

It really boggles the mind to see a minister who has been in charge of this portfolio, who has the responsibility for this particular program for the last three years, repeat at the end of three years and three months, perhaps, that the system is unfair. It's just amazing. Is the minister unable to or is he simply not willing to act on it? My fear is that he is using this argument, which really is a fiction, it seems to me, to justify his procrastination on taking action on something that he really needs to take action on and take responsibility for it.

I'm not going to be engaging in, you know, back and forth just for the sake of it, but I do want to raise some questions about it. The minister recognized and said that the last time some increase in the income component of AISH assistance was made was in '99, and it was a very small one. Over the last 11 years the amount of money has remained more or less the same.

I just want to ask the minister to perhaps have his department do some calculating and examine the amount in real dollars – real dollars – let's say since '99. In '99 \$855 was the amount that recipients were getting as part of their income assistance. Now, if \$855 was barely enough in '99 to meet the subsistence needs of AISH recipients, what amount would be needed now given the inflationary costs to what this \$855 is targeted for at this point? Or what's the real value of \$855 in 2004 dollar terms? That's what I would ask the minister to perhaps think about, and if he knows the numbers, maybe he can share them with us.

Given the fact that \$855 in '99 was there to meet the very basic minimum subsistence needs, how does he expect the same Albertans to wait perhaps another year or more before the minister's review, which he now says will start some time in October, is concluded – I don't know when, how long, what timelines he's giving for this review to happen – and then for him to again consider taking action following the report being received and due consideration has been given to its recommendations?

Given the tone of the minister's comments on the unfairness of the system that he's talking about, I frankly worry about what this review is going to be about. Is it going to in fact bring in new standards with respect to the AISH income entry levels? The minister said that they're already very strict, that not everyone who applies for qualifying for the AISH program does in fact get accepted in the program. So there are standards. The standards seem to be quite strict according to the minister himself.

Can I get some assurance from the minister that these standards will not be sort of tempered in a way in order to exclude people who need that assistance in terms of the standards currently in place? That's something that I would like the minister to please address if he can.

I listened to the appeal and the comments that the hon. Member for Calgary-Montrose made, and I just want to encourage the minister to pay attention to it and not delay without any firm timelines his readiness to take action to provide added income

assistance to people who are on AISH and who we know are the most vulnerable citizens among us. They're not volunteers. They're not people who can get in and out as they please. Before they enter, they do have to meet some very strict standards, as is the case now.

The minister did say, I think, in response to the question from the Member for Calgary-Montrose that very few WCB cases that are in limbo qualify for the AISH program or in fact are AISH recipients. The minister did say that it's a very small percentage. I wonder if the minister has any sort of general idea about what percentage they might be and if it's been declining. My impression from what the minister said was that people who may be injured at work and are awaiting the WCB decision – and in the meantime some of them become AISH recipients – their numbers in proportion as part of the total AISH recipients has been going down. I wonder if the minister would want to clarify that a bit to say at what proportion they might be at this time as we talk about it.

So if the minister would please give us some assessment of the real dollar value today of \$855 compared to the '99 costs and dollar value at the time.

My second question to the minister is a simple one, an easy one. As part of the government's report, the MLA committee considering a review of the Labour Relations Code, the minister decided to reject one of the recommendations which had to do with bringing agricultural workers under the labour code. The minister has decided to reject that particular recommendation at a time when in fact there's a great deal of emphasis in the government to transform our agriculture in a way so that we add value to most of the things that we produce on a farm or on a ranch, which would mean, therefore, that more and more people who may not be covered currently by the labour code but need that coverage will be working in agricultural production and processing. WCB is one area, particularly for people who work in ILOs, intensive livestock operations. Their numbers, I guess, are increasing. I'm sure that most of them are not necessarily full-time workers, but regardless there are increasing numbers, perhaps, of Albertans particularly from rural areas who seek and find work in intensive livestock operations around the province.

The size and number and intensity of this kind of agriculture activity is growing. In fact, it's one of the key policies of the government to encourage and help in the growth of this sector of the agricultural production. Why is it, then, that in spite of the fact that the numbers of people who work in ILOs or in agricultural operations in general is growing – these are wage workers; these are not just workers who work as part of their family operations – we deny them coverage under the Labour Relations Code? Therefore, also, they're denied coverage under the Workers' Compensation Board.

So if the minister would please make some comments on the real reasons as to why he has decided to reject what I thought was a very reasonable recommendation made by a committee that he himself appointed from his colleagues in the backbenches of the government caucus.

My third question to the minister is with respect to the salting and MERFing issue. The minister did make a few comments on it a couple of days ago, I guess, in question period. I have here a news release from July of last year from the minister's office which draws attention to the MLA report, and the minister knows that the building trades are strongly opposed to any changes to present practices. The minister has received the report from the committee studying these issues. My question to him: what actions does the minister plan to take and, if so, within what kind of timelines?

5:00

A few other questions for the minister. The minister has also of course resisted any suggestions for an increase in minimum wage

rates. I think that even last week or 10 days ago when he was in Banff, he continued to reject any suggestions coming in from some friendly sources to him that there's a need for Alberta to move forward on this. I just yesterday tabled a letter from three churches on the south side in Edmonton, churches representing more than 14,000 parishioners who are urging the government to take action to increase the minimum wage.

So there is a whole spectrum of voices urging the minister to change his position on the minimum wage. It's not just the New Democrats. It's not just the opposition side of the House that is calling on him to take action on this. People who are not engaged in partisan politics are the ones who are in fact in very large numbers convinced of the need to increase the minimum wage in order for the government to do its part so that the Albertan who works at the lower end of the wage levels can make a living wage.

The minister says that he is not going to listen to me on this.

Mr. MacDonald: The Minister of Energy says that this is dogma.

Dr. Pannu: Oh, the Minister of Energy – it doesn't surprise me – sees it as dogma. In Banff I guess he must have put some plugs in his ears when some of his own friends were calling for a similar increase, when social justice groups such as the people who have concerns about poverty, people who have concerns about the growing number of working poor in Alberta are asking the minister to do something so that those people who are willing to work and work hard should at least at the end of the week, at the end of two weeks, at the end of the month bring home a wage cheque that helps them pay their electricity bills and pay their gas bills, that thanks to the government's policies have gone up, and pay their health care premiums, which thanks to the government have gone up. In order to do that, the minister has to take action.

I don't know why he is digging in his heels. It's not a partisan issue. It's not something that New Democrats are the only ones asking the minister to act on and do some rethinking on. It is Albertans at large, from all walks of life who see problems with the minister's position on this minimum wage. It's the lowest in the country. It's the lowest in the country, and the people who spend most of their money, most of their wages, on basic needs – that is, shelter, food, housing, clothing – are the ones who are hit hard by this.

People who work at the minimum wage level or close to the minimum wage level are young people, are recent immigrants, immigrant women in particular. They are a very specific social segment of our working population who are disadvantaged by the minister's intransigent position in refusing to change the minimum wage. These are the people who need help. These are the people who would be helped. They would love to be independent. They don't want the government to supplement their low incomes. They want to be able to earn on their own and have pride in their independence.

The minister's policy, in my view, directly or indirectly in effect creates the dependence on government handouts to top up their incomes in order for them to survive, in order to pay their bills. The minister needs to see the reasonableness of the requests that are coming to him, the pressure on him on the need to change the wage.

So that's my question on the minimum wage. I urge the minister to rethink his position in light of what he's hearing, not only from me as leader of the New Democrat opposition but what he's hearing from church leaders, what he's hearing from community leaders, what he's hearing from people across party lines, including his own party.

One other question the minister would certainly like to, I think,

answer as well. The minister some time ago promised that there would be an independent review of the long-standing, contentious WCB claims, and those outstanding claims pushed some people over to AISH, I must say. The minister is concerned about the pressures on the budget in the AISH area because the costs are going up and the numbers are increasing. One way in which you can perhaps stop that pressure is by resolving these contentious WCB claims so people get their claims settled and they can return to their lives which don't require turning to AISH.

My question to the minister: why has the minister not acted on this? Why has he changed his mind on establishing an independent review for the long-standing, contentious WCB claims?

I will conclude with this, Mr. Chairman. The minister has, I'm afraid, only a few minutes, but he can answer the questions in writing.

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

Mr. Lord: Thank you, Mr. Chairman. I'm pleased to rise and ask a few questions as well. I realize that we're running out of time, so I'll try and be quite brief on this. I'll go through them quite quickly for the minister if he could answer some of these questions. If he can't answer them today, perhaps at a later time.

My first question, of course, is on the earned income tax credit, EITC, the alternative to raising the minimum wage that we keep hearing about today. As anyone who has studied the issue thoroughly knows, raising the minimum wage not only does not cure poverty; it may in fact increase it. Anyone who takes a responsible position and does their due diligence would not be recommending increases to the minimum wage, but they may well look at the idea of earned income tax credits.

I'm wondering if the minister's department has had a chance to look at the EITC concept, which basically takes the approach of reducing clawbacks for people who do go out and get employment and, in fact, reverses the flow there. It tops up their paycheques if they do work.

It's also known as the incentive to work program and is credited with lifting millions of people out of poverty in the United States, unlike raising the minimum wage, which we all know raises the unemployment rate among youth and helps bankrupt small business owners and does a whole bunch of other damage in society that we are aware of. I wonder if the minister could speak to that as well.

The AISH program I have some questions about. I know from my research that in 1980, when it was started, we had about 5,000 people on it. It cost about \$25 million a year for that program. We've seen almost stratospheric growth in that program. It now has, as I understand, some 33,000. That's 5,000 to 33,000 people in that system. It's gone from \$25 million, as I understand it, to something like \$349 million. So the amount of money that this government has put into the AISH program has been almost perpendicular in terms of its growth, but because of the larger number of people getting onto the system, individuals are unable to see the increases that they need.

I'm wondering if you can talk about some of the explanation of this phenomenal increase in funding that we're putting into the AISH program and why it isn't trickling down to individuals. Maybe we have to look at screening the growth of the population of people on that program, and perhaps we have to look at some of the front-line people and how difficult it is for them to say no sometimes to people who maybe are not severely handicapped and what incentives and what performance benchmarks we might have in place of that.

The main thrust of my questions today, Mr. Chairman, is I'm really wondering – it's called Human Resources and Employment,

and all the focus is on employees and employment, in my view, and I'm a little concerned about the human resources side and, in particular, a group of individuals in this province who I think are one of our greatest human resources, but they're not employees. They're in fact owners of small businesses. They are people who decided one day for whatever reason – perhaps they could not find employment; perhaps they could not get a job – to get off their duffs, go out there, and try and create a job for themselves, try and create a little business. So they started their own small businesses only to find out just how incredibly difficult it is to succeed in a small business. To me, those are some of our best and brightest people. They're self-reliant; they're trying to stand on their own two feet.

5:10

What do we do to help them? What do we do to help reduce the risks of failure when we have 4 out of 5 of them failing within five years? What are we doing to help them in terms of a social safety net when they do fail? I mean, the reality is that they don't qualify for unemployment insurance. They don't qualify for any of these programs, in fact, if their small business goes broke and they find themselves again unemployed, where they started. I'm just really concerned about what we do to help small business owners.

Just along that line, I recognize the tough job that the minister has here. I mean, there's just never enough money, way more demands than resources, and of course, you know, so many – I characterize them as socialist – kind of concepts looking at short-term gain and forgetting about the long-term pain attached to that, just so much focus on trying to solve short-term problems and what I call treating symptoms instead of the disease. Frankly, it makes it virtually impossible to focus on the cause and the cure of some of these problems when there's just so much demand to alleviate the short-term pain instead of solving the disease, as I say.

I recognize the tough job that the minister has on this, but I do want to kind of stress that if we're really going to solve some of these poverty problems in our society and some of these issues, we really do need to focus on helping people that maybe can't find a job: help them create a job, help them start their own small business.

We all know that most new jobs and most new wealth in our society comes from small businesses. In fact, almost all business is small businesses. Most new wealth and most new jobs come from small business, and we have 4 out of 5 of them failing – failing even in this province, the very best province in the country – in the first five years. I look at that and say: well, that's a success rate of 1 out of 5. What could we do if we could get that success rate up to 2 out of 5? Would that not double the new wealth creation in this province and double the new job creation in this province? What would that do towards solving poverty in this province as opposed to just handing out lots of money and paying people to sit home and taking away their incentives while at the same time some of our best and brightest are facing huge barriers and huge obstructions and huge risk in trying to succeed with their tiny little business, one-person companies that may then become two or three. It's really a terrible situation.

The Deputy Chair: I hesitate to interrupt the hon. Member for Calgary-Currie, but pursuant to Standing Order 58(5), which provides for the Committee of Supply to rise and report no later than 5:15 p.m. on Tuesday, Wednesday, or Thursday afternoons, I must now put the question.

After consideration of the business plan and the proposed estimates for the Department of Human Resources and Employment for the fiscal year ending March 31, 2005, are you ready for the vote?

Hon. Members: Agreed.

Agreed to:

Operating Expense and
Equipment/Inventory Purchases \$1,147,879,000

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

Hon. Members: Agreed.

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

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

[Motion carried]

[Mr. Shariff in the chair]

Mr. Lougheed: 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.

Human Resources and Employment: operating expense and equipment/inventory purchases, \$1,147,879,000.

The Acting Speaker: Does the Assembly concur in the report?

Hon. Members: Agreed.

The Acting Speaker: Opposed? So ordered.
The hon. Government House Leader.

Mr. Hancock: Thank you, Mr. Speaker. I'd move that the Assembly adjourn until 8 this evening, at which time we reconvene in Committee of Supply.

[Motion carried; the Assembly adjourned at 5:16 p.m.]

