

Legislative Assembly of Alberta

Title: **Monday, April 25, 2005**

8:00 p.m.

Date: 05/04/25

[The Deputy Speaker in the chair]

The Deputy Speaker: Good evening. Please be seated.

head: **Motions Other than Government Motions**

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

Hand-held Cellphone Use while Driving

506. Mr. Chase moved:

Be it resolved that the Legislative Assembly urge the government to introduce amendments to the Traffic Safety Act to prohibit the use of hand-held cellular phones while operating a motor vehicle.

Mr. Chase: Thank you very much, Mr. Speaker. If the hon. members opposite and throughout the House will permit, I have a number of statistics and names, and I would like to refer to the sheet to provide you with the specifics of why I feel that this motion is important. It falls, to me, in the same line as Bill 39 because the intent of this motion is to prevent injuries and accidents and also, with luck, to save lives by putting a greater onus and an efficiency on the person who is operating a vehicle.

Like any new technology cellular wireless phones bring with them a mixed bag of benefits and potential problems. Some of the dangers associated with using cellphones while driving include missing exits and traffic signals and then attempting to overcorrect, failure to yield, failure to adjust speed to conditions, and becoming involved in more near collision incidents with other vehicles or simply running completely off the road. More incidents of speeding, following too closely, and running red lights have been noted with people using cellphones.

A Transport Research Laboratory study in the United Kingdom found that a driver travelling at 70 miles per hour who is using a mobile had a braking distance that was 46 feet longer than one who was not and 33 feet more than that of a drunken driver. Also, just the idea of using a cellphone in itself is distracting. Driving, whether it be in the city or on the highway, takes a great deal of concentration, and if you allow yourself to be distracted by the use of a phone, then obviously you're not being efficient.

The other distraction that cellphones provide is the ringing. That ringing has a jarring effect to it. The response is almost the equivalent of Pavlov's dog. You have this immediate need to answer that ringing or at least to turn it off, and that can distract you and basically shock you. Phone calls are interactive and draw the driver's attention. Sometimes we wonder when we're driving the highway how we got from one place to another. It seems at the time that driving does not take a whole lot of mental capacity, but the reality is that if you slip for the slightest part of a second, you can be involved in or cause an accident.

The people who are most at risk are the young, and they're partly at risk because of the fact that they're just learning to drive, but they are the most likely to be involved in accidents caused by cellphones. We know that drivers aged 16 to 24 use cellphones more than any other age group, and as a result they are more likely than older, more experienced drivers to be involved in collisions that result in death. That information comes from the Insurance Bureau of Canada.

Learning to drive requires a person to do many things at once [such as] steering, braking, shifting gears and watching for traffic . . .

When a novice driver adds a distraction like talking on a cellular phone, a task that in itself requires variable levels of cognitive effort, the results can be disastrous.

That quote comes from an ongoing study by University of Calgary associate professor Jeffrey Caird. Jeffrey's work was acknowledged by the hon. Minister of Infrastructure and Transportation in this weekend's *Herald* articles. Jeffrey Caird is the director of the Cognitive Ergonomics Research Laboratory at the University of Calgary, and part of his studying equipment is a driving simulator. His study, which is currently under way, is the first of its kind to focus on novice drivers and will have its results issued as of this August.

The younger generation is also fond of text messaging, which is extremely dangerous while driving. It's bad enough to carry on a conversation, but if you're trying to dial and send off messages while driving, then the amount of distraction is extreme.

Studies show evidence of accidents due to cellphone use. According to an article by the CBC, the laboratory of transport safety at the University of Montreal found that cellphone users have a higher crash risk than non-users. The North Carolina Highway Safety Research Center found drivers using cellphones nearly twice as likely to be involved in rear-end collisions. A 2002 study by the Harvard Center for Risk Analysis, part of the Harvard University School of Public Health, found that drivers using cellphones cause 1.5 million accidents annually, resulting in 2,600 deaths and 570,000 injuries. A similar study in California by the California Highway Patrol found that at least 4,699 accidents were blamed on drivers using cellphones and that those accidents killed 31 people and injured 2,786. The study period was only nine months. If you project those rates, the total number of accidents involving cellphones could be well over 6,000 for the year.

Listening and responding to relatively complex messages as might occur when using a hands-free cellular telephone to conduct business or deal with important domestic issues was found to significantly degrade driving performance in a series of driving tasks. My motion puts forward hand held, but there is also distraction associated with hands free.

Medical opinion is in favour of the ban. Canada's top medical journal is calling for laws restricting the use of phones while driving, arguing that it's, in quotes, a no-brainer that using one behind the wheel is risky. According to the *National Post*, the *Canadian Medical Association Journal* calls for the ban. This goes back to the year 2001.

I won't go through all the countries that have banned cellphones, but let's just say that at the beginning we go to Australia; in the middle, Norway; ending up with Turkmenistan, United Kingdom, and Zimbabwe. These countries have all done what I am recommending we do beginning tonight in the Assembly.

I am hoping that the medium, in this case myself, does not get in the way of the messaging. This is an important motion. To me it will not only reduce accidents, but it has the potential of saving lives, a number of those lives being young people who we would like to see productive and continue on to our age and, obviously, to old age. With that, I encourage debate and discussion.

Thank you.

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

Mr. Liepert: Thank you, Mr. Speaker. I am pleased tonight to participate in the debate on Motion 506. This is an important debate because in many ways it tends to differentiate those who believe that government should be regulating more and more individuals' lives

and freedoms and those, like myself, who feel that individuals need to accept responsibility for their actions.

8:10

Mr. Speaker, technology advances are moving at a rate that this Assembly, attempting to pass laws, will never be able to keep up with. Technology is going to continue to move forward, and we must embrace it, and we as legislators must be very cautious when creating laws surrounding such technology. Our motives might be in the right spot, but the outcomes we get from these laws may not be what we expect. This motion, which is to prohibit the use of hand-held cellular phones while driving, gives us a perfect example of such a situation. There is no doubt in my mind that there have been people who may have caused accidents because they were driving with a cellphone in their hands, but there have also been accidents caused by people who were thinking about their day at work, others who may have been trying to quiet their children in the back seat, and still others because they were just simply daydreaming and not paying attention.

One has to ask: where does common sense prevail? Recently I was driving down Crowchild Trail in Calgary and noticed this young lady passing me who was talking on the cellphone, driving with the other hand, and holding a cigarette between her fingers. She was speeding as well because she passed me. However, I caught up to her at the next light, and while stopped, I noticed that she was also drinking a soda. As she pulled away from the stoplight, I also realized that not only was she talking on the phone, smoking a cigarette, having a sip of soda pop; she was doing all of this while driving a stick shift, and I thought: that is multitasking. I just wished that she was doing it on something other than driving. My point here is that no law would protect people from such stupidity. It would, however, prohibit legitimate cellphone use, which I will deal with later.

Mr. Speaker, science does not agree that banning the use of hand-held cellular phones will effectively eliminate the dangers of driver inattention. Furthermore, according to scientific studies driving and talking on a phone is not necessarily dangerous because of the physical act of holding the phone but, rather, from the mental act of having a conversation. To legislate against the physical act of holding the phone, then, seems to be somewhat counterproductive.

This view is supported by both the Canadian Automobile Association and the Alberta Motor Association. Their recommendations about driver distractions state that legislation that only bans hand-held cellphones is discouraged as research shows that the intensity or nature of the conversation is the primary cause of driver error. The associations do suggest, however, that the use of cellphones is dangerous while driving and further recommend that drivers should pull off the road and stop in a safe location before making or answering a cellular phone call. Additionally, they proposed that voice mail services for cellular phone subscribers be promoted as a means of eliminating the need to answer phone calls while driving. Mr. Speaker, these recommendations are consistent with the views of Alberta Infrastructure and Transportation, who strongly encourages drivers to wait until they can safely pull over to use their cellphone or have a passenger make or answer calls.

Cellular phones have become a very effective tool for police in recent years, and according to the Solicitor General, police caution that they receive many calls from motorists using cellphones who report traffic safety issues, including impaired drivers, and they would not like to see legislation of this nature hinder this current practice. If members from the Liberal caucus would like to know more about this, I suggest that they speak to my colleague from Edmonton-Castle Downs, who has himself made this type of call to police from a cellphone.

Mr. Speaker, these are the different views on this topic. Technology is both a gift and a curse, and as legislators we must find a balance between practicality and safety. We must also base legislation we create on scientific evidence. The bottom line for Motion 506 is that science does not support the claim that the use of hand-held cellphones is a greater cause of accidents than any other driver distraction.

If I may, Mr. Speaker, I would like to draw all members' attention to some pieces of information that I find helpful in understanding this issue. There is a lot of literature written on this topic by many different organizations like the AMA, the CAA, Transport Canada, the Insurance Corporation of B.C., and the Independent Insurance Brokers Association of Alberta. They all come to the same conclusion. The literature from all sources urges the government to follow those conclusions instead of going against them.

I think we should look at urging government to address all driver distraction. As well, we should urge the government to continue to conduct public awareness and educational campaigns regarding driver distraction, which includes cellphone use. Even better, we could urge the government to create more of a focus on this topic in driver education programs and driver licence examinations. Maybe government should even examine whether insurance coverage is breached if it is clearly proven that an accident was caused by cellphone use although I have my doubts that this could ever be proven.

An unfortunate part of life is that accidents do happen. More unfortunate is that most of these accidents are preventable since the majority are caused by human error. As Conservatives we believe in educating people and trusting that they will make the right decisions. Unfortunately, sometimes they do not, and people suffer as a result. But we learn from these instances, and we pass on these tragic stories and hope that others will learn from them as well. It's called living in the real world and not in a bubble.

I don't agree with the policy of legislating people to the point where they are so constricted and restricted that they can't hurt themselves or others. According to this philosophy the best way to avoid accidents in vehicles is to prohibit driving altogether, and perhaps the best way to eliminate danger generally is to never leave home. We must come up with more acceptable strategies to address the root of the problem.

We should be prudent when making legislation around technology, and Motion 506 is not prudent. In fact, it goes against reason and science, and that is why I urge all of my colleagues in joining in voting against this motion.

Thank you very much.

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

Mr. Bonko: Thank you, Mr. Speaker. It's disappointing that the Member for Calgary-West was so negative with regard to the particular cellphone piece. He says that, in fact, people should be monitoring or governing themselves with common sense, that government has too much control of their lives. Hence, today we passed a smoking bylaw. We did not leave it up to the public to decide for themselves whether smoking is hazardous or healthy, but instead we passed another amendment here as well. [interjection] That's right, that the members, in fact, voted for.

We also did in this session crystal meth with regard to that.

Seatbelts are another thing that's legislated. People would be able to make up their decision on that, but again we have a law that governs safe driving and mandatory seatbelt use.

You know, we talk about drinking and driving. People still do it. Common sense doesn't prevent them from doing that.

This particular piece too. I think that people can in fact have safe driving as well as doing hands-free. Hands-free is the key, not a total ban of cellphone use within the vehicle, for being able to use it in emergency cases, which will prohibit the police from using it as well or, as the Member for Edmonton-Castle Downs mentioned, from phoning on a vehicle that was driving erratically. I, myself, have used that same apparatus, a cellphone, to phone on a vehicle that was being driven while impaired.

I think it's absolutely a necessity. In fact, it's a communication device that has been given to us, and it's to be used responsibly. We can use it hands free. There's new technology, which is Bluetooth, that's out there, which allows the individual to use it and still keep constant communication while having both hands on the wheel. Watching people drive was mentioned by the member across. I do it daily coming to work. People are either putting on make-up, they're catching breakfast, they're talking on the cellphone, or they're doing both and driving with their knee. It's amazing how these people don't get into accidents.

Do we have to have a law that puts two hands on the wheel? I don't think we need to go that far, but as I said a good piece of it is keeping people and their attention. They've got the radio going. They've got the cellphone going. People have a conversation with themselves. Unless they've got a hands-free thing, you've got to wonder what's going on there. But I think, again, this would certainly speak to the safety issues.

Edmonton is getting busier by the year with economic prosperity coming. Fort McMurray, Calgary, all surrounding areas are in fact having an influx of people. So there's more traffic coming into these cities and surrounding areas. Now, that's more people to have to contend with. I think that people need to be fully aware of their surrounding environment and what's going on. As well as the increase in traffic flow, you've got to worry about the weather.

One less thing to worry about would be the cellphone. If a person finds it absolutely necessary to talk on a cellphone, again, as I mentioned, there is hands-free technology out there relatively cheap. I, myself, would be inclined to in fact stop using the cellphone on the earpiece and go right to the hands-free if this law was passed.

I admit it. I'm one of those people that does occasionally drive and talk on the phone too. I'm not saying that I'm perfect. I do in fact find myself able to do it, but I would be far more comfortable if everyone was off the cellphone and had one hundred per cent concentration while driving. You can't protect yourself from someone coming from behind you as they're reaching down dialing a number, and you're sitting at a red light, and you get rear-ended while they're trying to make that phone call or text message.

8:20

Technology is becoming increasingly convenient, but unfortunately so are some of the nuisances and distractions. They also have digital dash DVD players now that take the driver's attention away from the road scene and in fact put them right there on the newest DVD that they can play right on their in-car dash. Now, I realize that police are pulling people over for that particular distraction. That is, I would argue, just as distracting if not more distracting than a cellphone.

You have the rings going off. You've got people in the car. Maybe there could be four or five conversations going. That's all distracting for the driver, but again they could have hands-free, and I stress hands-free.

I think it would amiss to not give this good consideration. Perhaps the member from across the way isn't aware that the Minister of Infrastructure and Transportation is in fact quoted with a study, that they are looking into or at least talking about the ban of cellphone

use. Maybe it's because it has come from across the floor that the idea isn't palatable. I would hope that that wouldn't be the case. I think the idea has got good merit regardless of who puts it forward. If it's going to benefit the public and a safe and a good environment for driving, then I think it should be explored, not just because it came from one opposition member or another. I think that's quite petty, and the public is not served best in that particular way of dealing with things.

Again, Mr. Speaker, I think I would urge the other individuals out here to support this particular piece that is before us. In fact, it would come with more education. He certainly mentioned about education within driver's ed, having people in fact explicitly giving a particular piece with that driver component about the pitfalls of cellphone use.

Again, I would urge the fellow speakers who are coming behind me as well as those maybe not able to get up to speak to this tonight to consider it and the merits about it and not just because science or the studies don't say that it's of merit. There are other countries in the world here that are in fact recognizing that it is a distraction. It's an idea whose time has come. I guess the idea is now to recognize it and ban cellphone use before more people are hurt or injured. We talk about the busy highways, in fact trying to twin them because of the congestion. Cellphone bans would certainly help with that as well.

Thank you, Mr. Speaker.

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

Mr. Cao: Thank you, Mr. Speaker. I appreciate the opportunity to rise this evening and offer my remarks regarding Motion 506, which urges the government to prohibit Albertans the use of their hand-held cellular phones while driving. I acknowledge the hon. Member for Calgary-Varsity for his intention on traffic safety.

From what I understand, this idea is not new in this House. In fact, in 2002 the former member for Lacombe-Stettler introduced an identical idea in the form of a private member's bill which, if passed, would have banned the use of hand-held cellular phones during the operation of a motor vehicle. But this Legislature at that time felt that such legislation was flawed from the beginning.

Mr. Speaker, I realize that the use of hand-held cellular phones by careless drivers has caused traffic accidents, some of which have been extremely tragic. However, I also realize that passing laws every time we have an issue in our hands is not the best or the most appropriate way for us to govern. It is very reactionary for us just to jump on the bandwagon and argue that Alberta needs legislation banning cellular phone use in motor vehicles because it can cause accidents.

Yes, Mr. Speaker, I agree that talking on hand-held cellular phones while not paying attention to traffic can be distracting and can cause accidents. By the same token, drivers do many other things while driving, including playing with the radio or talking to their passengers, which can be as distracting as conversation on the cellular phone. However, nobody has suggested that we make those activities illegal.

Not only that, Mr. Speaker, but there simply isn't any sound proof that cellular phones constitute a major cause of traffic accidents in the province or elsewhere. No doubt, there have been studies that have found that cellular phones can hinder one's reaction time because they tend to take away some of the driver's attention.

One of the more recent studies on this particular subject came out from the University of Utah just this year. Its conclusion was rather surprising. It found that the reaction time of a 20-year-old driver with a cellular phone was comparable to the reaction time of a 70-

year-old driver without a cellular phone. Concerning, Mr. Speaker, perhaps. However, reading further, the study also finds that hands-free phones were just as distracting to drivers as hand-held phones and that any conversation that the driver may be involved in, be it on the phone or with a passenger, is likely to impair his or her driving abilities.

Does this mean that we should ban passengers from vehicles since they assuredly could distract the driver or cause a collision? Perhaps we should also consider banning radios, CD players from vehicles because they, too, can be distracting to drivers.

Mr. Herard: Don't forget seniors.

Mr. Cao: The hon. Member for Calgary-Egmont also talks about seniors driving too.

Maybe we should also ban drive-throughs as they promote eating and driving, which can be as distracting as talking on a cellphone. So where would this end, Mr. Speaker?

At the end of the day the fact is that we simply don't know how many collisions in Alberta have been caused by cellular phone use. According to the Alberta traffic collision statistics report last published in 2003 by the department of transportation, the leading causes of driver's actions contributing to casualty collisions in the province included following too closely, running off the road, turning left across oncoming traffic. Nowhere does the report mention categories like distracted by cellular phone or was talking to the wife or that playing on the radio caused a collision.

With that in mind, Mr. Speaker, it is very easy for us to sit here and say: well, here's a potential problem; we really don't know how bad a problem it is, but we'll pass legislation just in case. If the government operated in this manner, I doubt we'd be allowed to do anything, let alone own a cellphone or operate motor vehicles. If we don't have hard evidence suggesting that cellphone use is a major cause of accidents, I believe that banning the use of cellular phones exclusively, without looking to other distractions, would be rather biased and shortsighted.

Having said this, Mr. Speaker, I am also of the opinion that Albertans don't need another law telling them what to do. I believe that the majority of Albertans are responsible drivers who recognize that one should be careful when using a hand-held cellular phone or pursuing another activity while driving. There is a law against undue care in driving.

I trust that the majority of Albertans do drive responsibly, pay attention to driving conditions, refrain from using their phones or other devices in situations when their undivided attention is most required. Albertans don't need this government constantly looking over their shoulder and telling them what they can and cannot do. I trust their judgment to do the right things, and I don't think that the poor judgment of a few should spoil it for the rest of us.

I would support this motion if it just urged the government to investigate or to explore the use of cellular phones while operating a vehicle, and indeed I read that the ministry of transportation has been doing something in that regard. Therefore, I encourage the member to withdraw this motion.

Thank you.

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

Mr. Eggen: Thank you, Mr. Speaker. I appreciate having an opportunity to speak briefly on Motion 506. I find this motion intriguing, and I appreciate as well the comments from the Member for Calgary-Fort, the very latter part of his comments; that is, that he would consider supporting this motion if it, indeed, urged the

government to further investigate this problem of people using handsets while driving. You know, I sort of see the spirit of this motion as being that. Thus, I do in fact support this motion as it's worded.

8:30

I think that every time new technology is introduced into our society – perhaps I'm showing my age to suggest that, you know, hand-held devices are a new technology, but it's still emerging as to how we use it in our society. In fact, we can see cellphones evolving literally by the month with new sorts of additions to entice people to use them, with cameras and text messaging and whatnot.

So, you know, still looking at it as a reasonably new technology, it is, in fact, our duty in this Legislature to look for responsible ways for that technology to be used in our society. I object to this categorical idea that "less government is better, and don't tell us what to do, by golly, and away we go" because, of course, that goes against the very existence of this Legislature in the first place as being a place to put forward responsible ways by which people can live their lives, in this case using handsets and using cellphones in vehicles.

I think perhaps we have somewhat of a dearth of information, specifically here in Alberta, that might suggest how many accidents are specifically caused by people using cellphones while driving, but we can almost guarantee that the insurance industry is gathering that information in a comprehensive manner because, of course, every accident that takes place is a financial issue for insurance companies. You know, it's an easy thing to track in a way because, in fact, if you have your hand-held device and you are in an accident and that phone call is terminated, then you know exactly what that person was doing up to the point where the accident took place, and indeed the line could still be on.

So it's not any different from any other investigation of an accident where an officer can lay the charge of undue care and attention. What we are doing, simply, with something like this is focusing that issue of undue care and attention and targeting probably something that does in fact cause a lot of accidents on our roads today.

I mean, I can use my own anecdotal evidence, watching for people who are doing things on the road that they shouldn't be doing. If you watch carefully – and I would invite all members and those listening here this evening to just watch. Watch when you see an infraction on the road for the next week or so, and just make a note of whether that person has their cellphone up to their ear at the same time. I think you'll find it quite startling that for lots and lots of infractions, lane changing and not taking a look and speeding and whatnot, those people have cellphones stuck to their ears at the same time.

Myself, as a bicycle commuter I make a special point of watching for the whites of the drivers' eyes as I'm negotiating the streets of Edmonton because, of course, a small accident in a car with a bicycle can be fatal. Again, I see more often than not that someone who does sort of a grossly negligent lane change or whatever will have a cellphone attached to their ear.

You know, enforcement of a ban like this would be difficult, but one of the things about laws is that when people realize or feel as though a law is just, then they will police themselves. I'm starting to see an increasing amount of people who will choose not to drive and use their cellphone at the same time because, you know, it's becoming increasingly obvious and apparent that it does take away your abilities to concentrate on the road, especially in urban areas. I think all of us, if we are honest inside our hearts, would realize and we would say that that is true.

You know, there are a number of studies. One study I found very interesting, not a study, I should say, but a law, in the otherwise quite libertarian state of Colorado in the United States. They have a graduated driving licence system. In other words, people who pick up their licence, for the first couple of years, usually young people, are only allowed to drive during the day or not drive on certain freeways, et cetera, et cetera, and they're also not allowed to use cellphones for that first two-year period while driving.

So, you know, there are a lot of different ways to approach this, and I think that that is an innovative and interesting possibility. They've had quite a high degree of success in targeting the sector of the population that has the most accidents – and that's why they pay the most insurance – which is the people from 16 to 24 years of age. I mean, this is a way to perhaps deal with this as well.

Let's not forget – and I don't want to go on all night about this – that across this entire country 3,032 Canadians died in 2001 as a result of traffic accidents. I mean, the rate of carnage on our roads is something that we seem to take for granted because, like, it just happens all the time, and, you know, it's so sad for the people who are losing their family members and whatnot. But until we start to address this carnage on the road and this loss to our society in a systematic way, in a responsible way in provincial Legislatures across this country and in the federal Legislature, then I really don't think that we are doing our jobs.

To lose 3,000 or 3 and a half thousand people per year across the country on the road is simply abhorrent, and it's immoral, unacceptable. I believe that investigating the possibility of limiting the use of handsets and cellphones is a step in the right direction. Thank you.

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

Mr. Agnihotri: Thank you, Mr. Speaker. I'm pleased to rise and speak to Motion 506, which pertains to urging the government to introduce amendments to the Traffic Safety Act to prohibit the use of hand-held cellphones while operating a motor vehicle. The objective of this motion is to prevent collisions on the road, to make the province safer for everyone.

Lately there has been a lot of talk about the dangers of cellphone use in automobiles while driving. A growing debate has arisen concerning whether the use of cellphones by drivers leads to more accidents. Several studies have shown that driving while talking on the phone increases the risk of a collision. Drivers have difficulty multitasking, and it poses a significant distraction, the leading cause of a number of accidents. These studies also have found no meaningful advantage for hands-free phones over hand-held phones. However, whether it is hand held or hands free, the issue lies in the multitasking thinking process that, apparently, increases the risk of a collision. The more heated the conversation, the greater the risk. I, for one, can attest to driving while under the influence of a cellphone, and there have been numerous situations where being on the phone could have caused a negative situation on the road.

Cellphone use makes life more convenient, no doubt about this, and safe, no doubt. Clearly, there are benefits of having a cellphone in the vehicle in case of emergency, but it should be turned off and available only if need be. People can co-ordinate their schedule with friends and families, parents can check up on their children, stranded motorists can call a tow truck or get help in an emergency, and motorists frequently use cellphones to report accidents and fires to the police.

More than 40 countries have restricted the use of hand-held cellphones in automobiles. On April 1, year 2003, Newfoundland became the first and only province in Canada to do so. More than

95 per cent of the population had supported such a ban prior to its implementation. Over a dozen countries, such as Australia, Brazil, Spain, and Switzerland, prohibit the use of hand-held cellphones while driving. Israel, Japan, Portugal, and Singapore prohibit all cellphone usage while driving. Drivers in the Czech Republic, France, the Netherlands, and the UK may face fines if they cause crashes while using cellphones. Drivers in the UK and Germany can lose automobile insurance coverage if they cause a crash while using a cellphone.

8:40

Mr. Speaker, I support a total ban on using cellphones while driving automobiles, with no exception, even if stopped at an intersection or in a traffic jam. Brief conversations, in my opinion, also should be banned, such as a motorist asking a caller to hold while he pulls over. There would be no exemptions for emergency services, although transport officials will consult on such details.

I urge all the members of the Assembly to support this motion. Thank you.

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

Mrs. Jablonski: Thank you, Mr. Speaker. It gives me great pleasure to have the opportunity to join the debate on Motion 506 tonight. I guess the old saying that there are no new ideas, just new politicians, holds some truth. I believe this idea was last debated in the House in 2002. It was voted down at that time, and I hope it will be voted down again tonight.

My reasons for not supporting this motion are many, but I first want to clarify that I certainly support the hon. member's intentions. I assume that the hon. member's intention was to see a reduction in the number of traffic accidents that occur due to drivers being distracted by the use of hand-held cellular phones.

Mr. Speaker, it's very important to look at the facts, to avoid being distracted by perception only. I want to thank my researcher, whom I share with four other MLAs, for getting the facts for me, just the facts.

Traffic accidents cost Albertans millions of dollars each year and hundreds of lives. Without question we need to be diligent in our efforts to eliminate traffic accidents, particularly those that are preventable, but we need to start by separating perception from reality. In a 2002 study completed by the Traffic Injury Research Foundation, it was reported that half of the survey respondents felt very strongly that legislation was needed to ban the use of all cellphones while driving. It was also reported that respondents felt that using a cellphone while driving was more dangerous than poor road conditions or vehicle defects. This, Mr. Speaker, is the perception out there.

In the same study it quotes a study done in the U.S. in 2001 that analyzed the causes of 32,000 traffic crashes. Only 8.3 per cent of accidents were attributed to driver distraction. Of those, only 1.5 per cent could be attributed to the use or dialing of a cellular phone. Adjusting the radio or changing CDs accounted for 11.4 per cent of the same accidents, and being distracted by other passengers accounted for 10.9 per cent. So to put it in other terms, out of the 32,000 traffic accidents investigated, less than 40 of them could be attributed to cellphone use. Over 300 of them could be attributed to adjusting the radio and changing CDs.

Mr. Speaker, this is exactly what I speak of when I state that perception does not meet reality. The reality is that changing CDs and being distracted by other people in your vehicle are causing many more traffic accidents than using a cellular phone, yet about half of the Canadian population believe that using a hand-held cellphone is much more dangerous.

Mr. Speaker, you can't legislate against every single distraction. It wouldn't make sense. As soon as you prohibit one, you have to prohibit all of them. You can't legislate against people changing their radio or CD without legislating against talking to another passenger in the vehicle.

There are many distractions that have been identified by various studies. In addition to the aforementioned, looking for an address, looking at a map, programming a GPS device, adjusting climate controls, smoking, drinking coffee, and even sneezing have been identified as causes of motor vehicle accidents. Some people have even been seen shaving, doing their nails, reading the newspaper, changing clothes, and other very distracting actions while driving. Again, we cannot make separate laws for each and every one of these possible events. As soon as we prohibited one, some drivers would just find another. That's why we already have a law in place in Alberta that fines drivers who are driving carelessly.

As I've mentioned before, I am a strong believer in education programs that promote wellness and injury prevention. This Assembly might find it interesting to know that traffic accidents, while quite costly, are still not the most frequent preventable injury in Alberta. In the 1997 Alberta injury data report created by the Alberta Centre for Injury Control & Research, it quite clearly states that falls are the number one cause of preventable injury. Between '93 and '97 over 50,000 Albertans were hospitalized because of a preventable fall. During that same period just over 16,000 Albertans were hospitalized due to motor vehicle related incidents. I point this out not to say that motor vehicle accidents are not a problem; they certainly are. But we have other preventable injuries that are even more of a problem.

When considering the hon. member's motion, I had to think that we are not looking at the big picture. Preventable injuries are an epidemic in Alberta. Focusing our efforts on outlawing an action that is not even one of the major contributors to traffic accidents seems to be very short-sighted. I would akin it to us banning people from using ladders because often people fall off them, causing injury. As I pointed out earlier, if we begin to ban one distracting action, we should too be banning other distractions, especially those that have proven to be more distracting than talking on a hand-held cellular, such as changing CDs.

Passing this motion would be an example of poor lawmaking, and as it has been pointed out in this Assembly on many occasions, we are not in the business of making bad laws. I applaud the hon. member for his intentions. I share them and know that he will provide valuable input in future discussions regarding the general theme of reducing preventable injuries. But unless we are willing to legislate against all distractions while driving, I would encourage all members not to support this motion.

Thank you.

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

Mr. R. Miller: Thank you, Mr. Speaker. I will try to keep my comments brief. I find this the height of hypocrisy, quite frankly, when I listen to some of the comments coming from the other side. The Member for Red Deer-North just spoke about the fact that this bill was debated in this House two years ago and that it's inappropriate for us to be debating it again, yet we've had several examples in the last week, including one this afternoon with the smoking bill, where members opposite were suggesting that they didn't get what they wanted this time but that they'll be back next year. How is it any different?

An Hon. Member: You're right.

Mr. R. Miller: Absolutely.

Unfortunately, I cannot help but think that my colleague from Calgary-Varsity was correct when he suggested that, in fact, the opposition we're hearing might be due to the fact that this motion is coming from this side of the House. Given the fact that we saw some tremendous co-operation last week on a bill dealing with crystal meth, which again didn't go as far as had been hoped and is going to be coming back to the House at some future date to hopefully extend it and accomplish everything that was hoped to have been done with it in the first place, I'm just astounded, quite frankly.

I'm going to suggest that if we were to believe the arguments that we're hearing from the other side tonight, we would not have passed the smoking ban tonight, we wouldn't have a seat belt law in this province, we wouldn't have a bicycle helmet law for youth in this province right now, we wouldn't have PCHIP legislation, we wouldn't have passed the crystal meth bill, and on and on and on. At some point you have to do what you know is right, and I think everybody in this room in their heart knows that banning hand-held cellphone use in a car is right.

8:50

I'm going to use some anecdotal evidence here. I know that anecdotal evidence is not necessarily something that some members pay a whole lot of attention to, but quite frankly we're not experts in this Assembly. We can all find websites that will support our argument, whichever side of it we happen to be on. There isn't one person in here who hasn't seen examples of cellphone use that scared the bejabbers out of them.

I'm just going to cite one that I saw last year while travelling in Salt Lake City. It's interesting that this comment about how cellphone use hasn't been proven to be any more dangerous came out of Salt Lake City. Here I am in Salt Lake City – and I'll admit it; I was speeding. I was doing 135 kilometres an hour, which is a little over the speed limit down there; not much over, mind you, because their limits are higher. A Cadillac Escalade passed me. He was doing about 160, in one hand a cellphone and in the other hand a hamburger. Now, you guys have all seen examples like that.

I know we can't legislate against stupidity, but the bottom line is this. Given that there are many people in this room who travel back and forth on highway 2 between Edmonton and Calgary, it might well have been one of you that I saw, but I saw somebody the other day reading a newspaper as they were driving to Calgary. I mean, these sorts of things happen. But the bottom line is this: every day you will see not one person reading a newspaper or not one person with a pet on their lap or not one person changing a child's diaper as they're driving, but you will see literally hundreds of people distracted while they're driving because they've got a cellphone in their hands.

I mean, we can all find examples of people doing stupid things when they're driving, but this is one that we all see time and time and time again. So it's gotten to the point, I'm afraid, where it's out of hand, and at some point legislators do have to act. Legislators do have to get involved because, quite frankly, people just aren't getting the message.

The Member for Calgary-Fort talked about accidents having been caused by people turning left in front of traffic or unsafe lane changes or driving too fast. Unfortunately, the stats aren't kept as to why they're turning in front of traffic or why they're changing lanes unsafely. Very often, I suspect, it's because they're talking on the phone. Those stats aren't kept. That information has come out from the other side tonight.

So just to suggest that because this has been dealt with previously, it's wrong for us to be talking about it in here again tonight I think

is really, quite frankly, a sad comment. I just can't help but think that the real reason is because the motion is coming from this side of the House.

The other thing – and somebody pointed it out already – is this: this is simply asking the government to look at the situation. We're not even talking about passing a bill. We're just saying: give it some more thought, give it some more study, and if in fact it's true that there hasn't been enough information looked at yet, maybe it's time that we did that. That's all we're asking the government to do: some sober second thought. Perhaps two years ago we made a bad decision. Maybe it's time to look at it again. That's all we're asking to do. So I don't think there's anything wrong with that.

I will take my seat quickly because I know that there are at least two other members that wish to speak to this. Thank you.

The Deputy Speaker: The hon. Member for Cypress-Medicine Hat.

Mr. Mitzel: Thank you, Mr. Speaker. I'm pleased to be able to rise and join the debate on Motion 506. Motorists on Alberta's roadways who do not pay proper attention to the road when they are driving are a hazard to other motorists. Speaking on a cellphone, tuning radio stations, eating food, drinking coffee, shaving, and even watching movies as more vehicles are being equipped with DVD players cause a driver to be distracted.

While looking into this issue, it's quite apparent that studies are unable to confirm or deny that hand-held cellphones are any different than the countless other distractions drivers are faced with each and every time they get into their vehicles. When I say that studies being done are unable to come to a consensus as to whether there is a concrete relationship between hand-held cellphones and collisions, I don't mean that the cellphone industry is conducting studies saying that driving and talking on the phone is safe.

The studies being done are from independent and generally unbiased groups. These organizations are just trying to find out whether using hand-held cellphones while driving increases the risk of collisions enough to warrant a separate piece of legislation. Insurance associations, national safety councils, and universities and colleges from countries across the world cannot reach an agreement on whether banning hand-held cellphones while driving would be effective in reducing collisions. While almost all the studies completed on cellphone use and driving indicate that cellphones can be a distraction, they are just not conclusive enough for us to enact special legislation to address hand-held cellphones.

Mr. Speaker, there is already a law in place to deal with motorists who are not operating their vehicles with proper care and attention. Charging drivers with undue care and attention is an option our law enforcements do have if they believe a motorist is operating their vehicle without the attention necessary. If drivers are not paying attention and weaving all over the road, the police need to pull them over and give these people tickets, and the police will pull over these individuals who aren't paying attention regardless of whether the driver's attention is being distracted by a hand-held cellphone, radio, or DVD player.

I don't think we should put forward special legislation against one specific type of distraction when that type of distraction still hasn't been proven to be any different than all the other forms of activities that drivers do when they're on the road. I think it would be a very slippery slope to start legislating certain types of behaviour because they are perceived to be more dangerous.

I do not feel that it's this government's job to legislate against common sense. Pulling over and having a long conversation on a cellphone makes sense, and many Albertans do so. We should be encouraging Albertans to do this more often and increasing the use

of hands-free devices as well, not dictating to them what they have to do when it hasn't been universally proven to be any more dangerous than having children fighting in the back seat of a car. Albertans should have options like hands-free devices brought to their attention. As responsible as Albertans tend to be, I am confident that the majority of Albertans will make a common-sense decision to use hands-free devices more often.

Since it's already illegal to be operating a motor vehicle with undue care and attention, creating another law would just be a process of redundancy. Instead, we should be encouraging the creation of more awareness campaigns to help educate drivers about the increased risks associated with talking on a cellphone, reading, or eating while driving a motor vehicle. We certainly see through other vehicle safety campaigns that drivers do take notice and change their behaviours once they are aware of the risks associated with their actions.

AADAC, Mothers Against Drunk Driving, and various other agencies have been doing an excellent job in Alberta educating drivers about the danger and risks associated with drunk driving. I think the education and awareness campaigns put forward around drunk driving have done an excellent job in helping to reduce the number of deaths and injuries on Alberta's roads by reducing the number of people who choose to engage in drunk driving. What wouldn't be as effective as increasing the awareness of the dangers of drunk driving would be to create an additional piece of legislation stating that it's illegal to drive your vehicle while intoxicated with shots of vodka. Putting forth such a piece of legislation would be equivalent to Motion 506, which is redundant in nature.

Creating awareness and reducing the number of collisions on Alberta's roads is something we should look into doing more often. I see great benefit in having drivers become more aware of the risks associated with talking on a cellphone and driving their vehicle, but it's also just as important to make drivers aware of the risks to them and other people on the road when they engage in other distracting practices.

I'd like to thank the Member for Calgary-Varsity for bringing this motion forward, increasing our awareness, but I don't see the benefit of encouraging the government to amend the Traffic Safety Act to specifically indicate that hand-held cellphones are a distraction. This motion is encouraging redundant laws, and I feel that Albertans will feel that creating redundant laws would not be a very efficient use of our time and the time of the government employees. I feel that the best way to address improving safety on Alberta's roads is through awareness campaigns, not the creation of more laws which are very similar to the laws we already have in place.

I will not be supporting this motion, and I encourage all of the members to do the same. Thank you, Mr. Speaker.

The Deputy Speaker: The hon. Member for Cardston-Taber-Warner.

Mr. Hinman: Well, thank you, Mr. Speaker. I wasn't going to get up on this bill because I thought it was fairly straightforward. I commend the hon. Member for Calgary-Varsity in wanting to bring this forward, but I can't help but think that there's some road I can't remember that's paved with good intentions.

My first question to every member in here is: how many people – and we all talk about all of these things, knowing in our heart that it's not right – can stand up and say, "I don't drive with a cellphone?" I think the responsibility of driving is serious. It's important. There are far too many deaths on the highway, but the fact of the matter is that 90 per cent of all accidents are preventable. They're from undue care and reckless driving, and there are, as mentioned several times, laws out there regarding that.

I also feel that we've got far too many laws on the books already, so I have to ask the question. If we really are concerned about safety – and this always seems to be the intention of government in its bills and its regulations: safety, safety, safety – well, then, perhaps we should ban vehicles altogether and go back to horses. There weren't so many deaths. Or go back to the '20s and '30s and perhaps lower the speed limit to 30 miles per hour. How many accidents are fatal over 30 and under 30? There are many things that we can look at.

The fact of the matter is that we're supposed to be responsible when we're behind the wheel of a vehicle, and I expect each and every person to be that way, and we have laws in place. So I'll sit down, and I'll vote against this motion, though I understand the good intentions of it.

Thank you.

9:00

The Deputy Speaker: The hon. Member for Calgary-Varsity to close debate.

Mr. Chase: Thank you, Mr. Speaker. As to individual responsibility this province sees fit to set age limits for voting, driving, drinking, et cetera. We legislate seat belts. We legislate helmets. So we do actively intervene when we consider either age a restriction or safety a concern.

As to embracing technology, yes, let's look at technology, but as the member behind noticed, there is the possibility of hands-free cellphones.

In terms of multitasking I would suggest that the least appropriate place for multitasking is behind the wheel of a car.

As to the idea of the difficulty primarily being with the conversation that's being held on the phone versus the phone itself, I would suggest that if you weren't holding the phone, you might not be carrying on the conversation.

The notion of reporting traffic problems: you can do that once you've pulled over.

Education and public awareness are important components and for this motion to be successful would be a necessary part of the promotion of this motion, but they're not exclusive to active law enforcement.

The idea that came from the Calgary-West MLA that says that this goes against reason and science: I would suggest that the hon. member appears not to have heard the scientific information and research that I've provided.

Obviously, we need exceptions for specific groups, such as law enforcement officers, and that could be part of the motion when brought to law.

Extreme arguments like the best way to avoid driving accidents is to stay at home add nothing to the debate. Exaggerations or comparisons like banning radios and CDs are far removed from the active participation involved in dialling and text messaging.

How many deaths and accident statistics does the minister need before acknowledging the threat that cellphones pose and passing similar legislation? Other governments have done the investigation and research. It's about time this government recognized the value of other countries' studies rather than claiming that Albertans deserve special rights or exemptions due to their obvious or professed superiority. Alberta is already perceived by many as having a maverick mentality, which is different from rugged individualism. Alberta laws prevent passengers from riding in the box of a pickup truck because of the perceived danger. I would suggest that some of these ministers opposite would find that a restriction of an individual's freedom. This government is prepared to limit a number of rights when it suits them, such as access to information.

The hon. Member for Red Deer-North recognized the risk of crystal meth to young people. I would suggest that in terms of injury prevention and death, we would be more likely to save young people with this legislation than by keeping young people off the street for five days in a detox cell.

What have falls and slips got to do with driving a half ton of metal while talking unnecessarily on a cellphone?

It is unfortunate that passing a motion which would have a measurable result on reducing injuries and death is viewed by the members opposite as restricting individual freedoms.

This government has turned down opposition proposals on wellness, the promotion of literacy through a free library card, and now accident prevention. Albertans want to hear from all voices with the hope that all parties can work collaboratively for the betterment of this province. While a degree of progress was initially made on the smoking ban and the crystal meth bill, even those government member initiated proposals were severely watered down, rendering them considerably less effective than they were initially intended. Albertans expect more from their elected MLA representatives than they are currently receiving.

[Motion Other than Government Motion 506 lost]

head: **Committee of Supply**

[Mr. Marz in the chair]

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

head: **Main Estimates 2005-06**

Economic Development

The Chair: The hon. Minister of Economic Development. [some applause]

Mr. Dunford: Thank you. Thank you, kind colleagues. Mr. Chairman, I want to begin tonight by using a prop. This T-shirt, which reads "Biotech Rocks," was presented to me earlier today by an organization representing young people, high school people, that are in a competition that was displaying various work that they've done in biotechnology at the University of Alberta. I have to tell you that of the 12 exhibits that were being shown, I understood very little about any of them. I do know, though, that what that tells me is that there is a lot of good and neat stuff going on in biotechnology that we need to celebrate. I wanted to begin that way just in case we had high expectations about the knowledge that I might have about biotechnology. So I want you to be gentle over there.

Also, we have a number of people that have given up time with their families tonight in order to be here, and there are two purposes for this, Mr. Chairman. One, of course, is to provide technical advice to me if it is so required, but also it's a learning and training experience for people within our department so they see how the political system works. It's a constant reminder to them that they don't work for a car manufacturer. They don't work for a biotechnical company. They work for a political business. I think it's important that they have the reminders of just how this thing works, and of course it will be encouraging to them to see the level of intellectual intelligence that springs back and forth across the floor this evening. [interjection] Well, we have high expectations of some of you. Absolutely.

Let me introduce these folks to you. Rory Campbell is the deputy minister; Bob Scott, assistant deputy minister of tourism marketing and development; Rick Sloan, assistant deputy minister, industry and

regional development division; Janice Schroeder, communications director; Susan Cribbs, executive director, business planning and knowledge management; Mike Shyluk, director, financial services; Georgina Riddell, human resource director; Duane Pyear, executive director, policy and economic analysis; Shelby MacLeod, my executive assistant; and Warren Chandler, assistant in our office.

Now, we're here collectively tonight to request the nearly \$80 million required to implement Alberta Economic Development's 2005-2008 business plan. Our vision is that "Alberta is the best place in the world to live, visit and do business."

9:10

Before I talk about what we will achieve with this three-year plan, I want to outline how we do our work. We use a business model that seeks to facilitate economic growth by the private sector. This government is not in the business of business, but we are in the business of helping business be better. I want to highlight that we are a catalyst and not a banker. We are the catalyst who encourages the private sector to invest in Alberta, helps them address specific constraints, and works with other departments to ensure that the business climate is strong and that the Alberta advantage is effective. While Alberta is blessed with natural resources and our economy is firing on all cylinders, we are not complacent. We are continually looking for ways to improve our business climate and economic outcomes.

Economic development is about teamwork. We team with provincial departments on key cross-ministry projects like upgrading oil sands to refined products and petrochemicals. We work with Infrastructure and Transportation and our counterparts in British Columbia on issues relating to moving goods through the congested ports of Prince Rupert and Vancouver. We work with municipal and federal governments on regional development.

Much of our work is focused at the strategic level. We don't offer extensive programs. We have developed and are implementing Securing Tomorrow's Prosperity, Alberta's international marketing strategy. We work closely with Agriculture, Food and Rural Development and other departments to implement the Place to Grow rural development strategy.

We have lead responsibility for the tourism industry, and a major focus of the department is on marketing the province internationally and at home. In this centennial year we plan to promote Alberta as the best place to take a vacation.

Our most important stakeholder is Alberta employers, from the smallest new company to the largest oil sands investors. These employers, the jobs they create, the goods and services they produce underlie this province's wealth. When the economy is strong and productive, the government has the revenues which enable us to provide the priority programs. A strong economy is what pays for our hospitals. It's what pays for our educational system. It's what pays for our social programs. When we make Alberta the best place to work and to do business, then quite naturally flowing from that we also make the province the best place to live.

The department's three core businesses help to achieve this vision by, first of all, providing "strategic economic leadership and business intelligence"; second, increasing "industry and regional development, trade promotion and investment attraction"; and third, facilitating "tourism marketing and development." Staff in 11 regional offices across the province, in headquarter offices in Edmonton and Calgary, and in nine international offices are how those core businesses become real.

Core business 1: "Provide strategic economic leadership and business intelligence. First to provide strategic economic leadership in business intelligence; in other words, first to ensure that we have

the right fundamentals for a prosperous economy and then to provide the information and advice people need to make better business decisions. On a broad scale, Securing Tomorrow's Prosperity, the value-added strategy, is the economic pillar of our government's 20-year plan. This strategy is the cornerstone of our department's business plan, and many other departments have initiatives to support it. Our future prosperity and economic diversity depend on our ability to move up the value chain towards products and services that are of greater value to our customers and, of course, to customers right around the globe.

The energy sector drives our prosperity. To make all Alberta prosperous, we need to grow other sectors in step: transportation, logistics, business services, manufacturing, processing, et cetera. The opportunity facing the province is huge: how to lever our strengths in primary sectors and grow globally competitive in other sectors, in value-added energy products, agrifood, building products, information and communications technology, biotechnology, environmental technologies, and, of course, tourism. There are broad issues which determine the effectiveness of the Alberta economy and the success of Alberta companies in getting their goods to market. Alberta Economic Development advances the province's interests on those issues.

For example, the announcement two weeks ago by the federal government and the government of British Columbia for \$60 million in funding to expand the container port of Prince Rupert is exciting news for Alberta. This combined with rail improvements will improve access to Asian markets and reduce the congestion that west coast ports are experiencing.

The need for infrastructure to support economic growth, the role of air travel, and the issues facing megaproject development are all examples of the large issues the department helps government to address.

Besides keeping our eye on the big policy picture, we also support Alberta's business climate in more immediate ways. This leads, then, to our core business 2, "increase industry and regional development, trade promotion and investment attraction." AED provides support to help individual business growth. The business link in Edmonton and the Calgary Business Information Centre, which we operate in co-operation with the federal government, are important resources for entrepreneurs. These centres provide advice, training, and practical assistance. Thousands of Alberta entrepreneurs and small-business people phone and, of course, surf for information. For example, funding enables brown-bag sessions where people can learn about starting a business, exporting, marketing, and managing cash flow. We help people figure out the rules so that they can focus their energies on making their business successful.

To encourage industry growth, AED has established sector teams. They develop strategies and activities to address industry needs, things like business growth and expansion, investment attraction, and information needs. These teams provide advice to the government, work with industry players and projects, and identify where the government can play a role in increasing the growth, the diversification, and the competitiveness of their sector. They identify the strategic issues, and they deal with the nuts and bolts realities of what companies need to grow. New initiatives will include increasing the expertise we provide to some key value-added sectors such as petrochemicals, transportation, and value-added wood products.

Here is a practical example of how we can help manufacturing companies be more productive, and that's our lean manufacturing assessment initiative. Our staff provide information and training to small- and medium-sized Alberta manufacturers. The program is

very effective and helps the businesses find ways to improve their productivity and competitiveness. I'm pleased to report very positive results, including a manufacturer of custom-printed circuit boards that was able to reduce production space by 1,500 square feet. In another example, an industrial firm in the oil and gas sector has reduced production time for one of its manufactured components by 20 per cent. These results are very encouraging for the business, and it speaks well for Alberta's ability to compete globally.

Film is another sector with growth potential. The movie business is a clean industry with business opportunities in a number of areas of the province and possible spinoffs in tourism. The film commissioner provides that programming.

The department also supports regional growth. To help extend the Alberta advantage to all regions of the province, the department provides administrative and financial support to regional economic development alliances. Currently about 90 per cent of Albertans are represented in these alliances, and significant work is under way to expand their regional economies.

In rural and urban economies alike an important component of successful business is people. Employers are saying that they can't get the skilled people that they need. Naturally, our preference is that they hire Albertans for the work and make the most of the people who are already here. When that's not an option, employers need to look beyond our borders. Lots of people have chosen to come to Alberta from other parts of this country. However, there are still areas where employers cannot find the skilled people they need. The provincial nominee program helps them recruit foreign workers to high-needs areas. The program has been a pilot, and it will be important to continue its work. Specific efforts are also being made to involve aboriginal communities in regional alliances. With new funding we are increasing our work with existing alliances and expanding the number of alliances we support. The department also promotes Alberta as a place to invest because investment is an important part of economic growth.

9:20

On the investment front Alberta is doing quite well. The Toronto-Dominion financial group recently singled out Alberta, and particularly the corridor between Edmonton and Calgary, as a strong economy. They call us the western tiger. This is a reference to Alberta's explosive economic and population growth that rivals many U.S. metropolitan areas for productivity and high standard of living.

These are key considerations for companies considering investment in our province. We have seized this opportunity and devised an innovative campaign featuring a tiger for our investment attraction efforts in the United States. Our message is simple. Alberta has the human energy, the highly skilled, well-educated people who make up Alberta's dynamic workforce. Alberta has the business energy: entrepreneurs who are innovative, determined, and competitive. But most of all we want people to know that Alberta means business. People are not wasting their energy by exploring opportunities here.

To help drive exports, the department also operates nine international offices. In the past year international offices have co-ordinated nearly 200 seminars, trade shows, exhibitions, and outreach programs. They have brought more than 300 investors and companies to Alberta, and they have organized delegations abroad for more than 400 Alberta companies. Trade promotion staff help export-ready Alberta companies by making sure their products and services are known in key markets. We partner with industry to showcase Alberta capabilities at events like the World Petroleum Congress, which will be in South Africa later this summer, and the

Offshore Technology Conference in Houston, which is on next week.

We're also the eyes and ears of small- and medium-sized companies. The electronic business intelligence system, EBIS, or "e-biz," as we call it, is one of the ways we disseminate market intelligence. The focus of EBIS is on the energy goods and services and environmental goods and services. Opportunities are mainly in Mexico, and we have piloted e-business in other markets such as India, Russia, and Kazakhstan. We continue to refine our focus.

Now, Mr. Chair, it's a circle. When staff help companies be successful, more companies want them to help. As business opportunities increase, the use of international offices by Alberta companies, educational institutions, and other departments increase.

Our third core business is to facilitate tourism marketing and development. Industry and government promote Alberta as a world-class tourism destination. These joint efforts are co-ordinated through the Strategic Tourism Marketing Council. The government budget for tourism marketing will increase by 75 per cent to \$42 million with the conversion of a 5 per cent hotel tax to a 4 per cent tourism levy. At the same time this will provide an \$11 million savings in the cost of accommodation here in Alberta. Realistically, this is an \$11 million reduction in taxes. Of course, we all know that the only way taxes go in Alberta is that they go down. Funds from the levy are being used for tourism marketing and development to make sure that our industry is competitive with other provinces.

Centennial celebrations will offer great opportunities to promote more in-province travel. Travel Alberta has developed programs like electronic postcards and the travel cards that offer online specials to encourage Albertans to do just that, and of course we will continue to market Alberta as the premier vacation destination to international travellers.

Plans are also in place to further develop Alberta's convention and incentive travel business. We will contract new sales reps in Toronto and Washington, DC. We're also planning more comprehensive research to better understand our markets and customers. The website travelalberta.com will be upgraded to add a mapping feature so that visitors can search and map out their vacation plans. The department supports tourism through the Travel Alberta collection of spectacular photographs and videos. It's an online library with thousands of pictures of the province's landscapes, attractions, and people. That library helps tour operators get the images they need to promote their areas.

I've talked about how we get the visitors to Alberta. Now I want to touch on how we get the maximum economic benefit from their visit. Our key resource is well-trained, knowledgeable travel counsellors. We run the Alberta visitor information program and provide training and support to over 90 community visitor information centres throughout the province, and those centres will be opening in about a month's time. Community counsellors can also attend Travel Alberta training sessions and attend an Alberta visitor information provider conference each year. But not all the counsellors can travel for training, so we created a training video called *The Promoter* and a CD-ROM, *Experience Alberta*, to bring the information to them.

I want to conclude my remarks by saying that our economy is hot. We see job ads, cranes, growing communities, and lineups. The province has just marked a milestone of a hundred billion dollars in major projects on the go. So we're in great shape, and I hope to be able to convince everyone of that this evening.

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

Mr. Bonko: Thank you, Mr. Chairman. I'm pleased to be able to speak on such an exciting and dynamic portfolio here that the

minister has outlined there as well. The vision of the ministry, it says, is: "Alberta is the best place in the world to live, visit and do business." I tell you, I get goosebumps when I read that particular part.

We talk about some of the specifics here.

Mr. R. Miller: It's the air conditioning.

Mr. Bonko: That's right. It could be the air conditioning as well.

We talk about unleashing innovation, leading in learning. Opportunity 3 is "competing in a global marketplace" and opportunity 4 is "making Alberta the best place to live, work, and visit," as mentioned in the vision statement.

If I go to some of the specifics there, I'd like to say that, in fact, I was a little disappointed that the ministry had not adopted some of the more adventurous ideas such as implementing a 10 per cent provincial credit for eligible expenditures in scientific research and experimental development as well as implementing a 30 per cent provincial tax credit for investment in the qualified early stages of Alberta-based technologies. As the Liberal Party these are some of our platform particular pieces. We asked about creating a \$150 million Alberta technology venture fund funded jointly by the industry, universities, and of course government to generate venture capital in the industry. Now, that wouldn't invest in individual businesses. Rather, it would ask them to create opportunities for further investment.

Another particular point that could have been in the overall portfolio was creating a provincial technology program to harmonize technology and commercialization programs across the province.

Lastly would be introducing a 20 per cent Alberta film and television tax credit for Alberta-owned and -controlled production companies. We've seen some of these particular movies come, and I'll mention some of those a little bit later on.

If this government and the ministry are serious about unleashing innovation, why doesn't it provide tax incentives for companies to invest in research and development? Technology start-ups are leaving Alberta for other jurisdictions which have friendlier tax regimes and have more access to venture capital. Why is this government not following behind other provinces and allowing some more lucrative deals and keeping the incentives here? What steps has the ministry taken to increase access to venture capital in Alberta, and what plans are in the works in the future for those?

Other particulars around that. Does the ministry keep stats on how many start-up firms leave Alberta for other jurisdictions that have better access to the venture capital? This is even more reason to adopt the particular bullets that I read previous to that for Economic Development policies. I do think there is some merit. Regardless of where they come from, I think they could at least be explored and considered.

We talk about the role of arts and sports, recreation, and economic drivers. I know one of my other colleagues would like to speak on that, so I won't particularly speak on that one.

What does the ministry do to improve Alberta's quality of living to attract and retain young, knowledgeable workers? I know that it's a great place to live. There's an abundance of recreational spots, and it's just big sky. But what do we do?

9:30

Young, knowledgeable workers value a strong, diverse arts scene as well as ample opportunities for sports and recreation. How does the ministry work with the Ministry of Community Development in order to support the Alberta arts and recreation sectors? Is this minister acknowledging the strong role that arts and culture as well

as sports and recreation play in the economy? We've got professional sports teams in Edmonton and Calgary. We've got the centres. We have the Winspear here, that was donated by Francis Winspear, that is a hallmark of centres, as well as the Jubilee Auditorium, that is undergoing renovation as well, but we also have that down in Calgary. Again, we have to recognize that there are, in fact, opportunities to increase that with regard to the arts portfolio.

International and interprovincial trips. How does the minister know or how do they measure how successful international trade missions are? Does the minister measure the increase in trade after a mission? At what level has it increased the trade? How does this minister consider these trade missions a success? By a 5 per cent or a 10 per cent increase? How does the minister perform a cost-benefit analysis after these trips have been completed?

Tourism is also a big driver of the economy here as well. How does this compare to years ago, say, even five, 10 years ago? Over the past 10, 15 years how much has tourism grown here in Alberta?

We talk about film, and I think that's in your portfolio on page 180 with regard to some of the core business. Recent economic development markets have been attracting film companies such as *Snow Day*, that was shot here in Edmonton, and *Unforgiven*, attracting stars such as Clint Eastwood and Morgan Freeman. I know I saw the film, and I was taken by just the whole majestic sunsets and the overall display of that wilderness. I realized that it was shot right here in Alberta, and it made me even prouder. Why can't we attract more businesses and films like that?

Recently the *Calgary Herald* had an article that stated that the film industry here in Alberta is losing approximately \$200 million because over the past 12 months they've been driven to more incentives from other provinces and cheaper labour elsewhere. What would the ministry do to reverse those particular trends in that area of film? Does the minister introduce a film and TV tax incentive like every other province? I'm not sure why we haven't got one, but certainly that should be considered. Why are there no performance measures related to film and television production in Alberta in the ministry's business plan; as an example, the number of film or television projects with total dollars invested here in Alberta? What drive does that have on the economy, and what sort of market does that have with employability? I wonder if the minister could comment.

He's requested right now about \$79.75 million, and that's just estimates. But there are differences with the percentages. Ministry support services is getting approximately \$4.8 million. That's an increase of about 2 per cent. Industry and regional development, trade and investment is about \$26 million, and that's up about 15 per cent. But the biggest one, tourism marketing and development, is at \$42 million, an increase of 74 per cent. So those are some increases, but you know, they're broken down. Maybe just give me some more specifics as to some of them.

There is reasoning beside one, which is, as I mentioned, strategic economic leadership and business. The budgets for international trade development and relations are slightly down from last year, and I'm not sure why that is. I didn't see any specifics with regard to that budget, so I'm wondering if the minister could comment on that as well.

As well, the budget for regional development is seeing approximately I think it's a 58 per cent increase from last year. Can the minister provide some details as to the large budgetary increase? What's the reason behind it? Specifically, where would the monies be going? What tangible results can Albertans expect to see from this overall increase, and how will success be measured? Again, it's all that measuring. How do we know that we're getting good value for that dollar being spent?

On page 106 of the budget, investment and industry development has increased by 25 per cent. How exactly will that money be used? What will that funding be used for?

In terms of funding for industry development, what industries get the most support from the government? How does the budget for industry development help Alberta's film development and television industry or our high-tech industries?

One of the other ones emerging from the budget: overall tourism, like I said, is up about 74 per cent. The budget for emerging opportunities is down 35 per cent though, so we have, you know, varying degrees right there. What causes that particular decrease in that emerging opportunities area? What kind of industries or businesses will be affected by that decrease? Should the Ministry of Economic Development be seeking emerging opportunities and not turning them away? As we said, we're in the business to promote business. Turning away or putting up roadblocks certainly wouldn't be reading with that statement. This decrease is obviously disappointing. It exhibits a lack of economic leadership on this government's part.

I know that there are a number of questions within that piece there, so I'll sit down and look enthused as I hear some more information here.

Mr. Dunford: Well, you can be enthused. You don't have to even look like it. Just let it happen naturally.

I want to first make it clear that tax credits and tax incentives have been very, very difficult for this government. There's a philosophical problem, there's a problem in terms of ideology, and there are some practical problems with it. So when you come to a situation like we faced in 1993, where we had looked at a previous administration that had done a number of things to diversify the economy and tried experiments in some other areas – and most of it worked. I think it was a very exciting and a very challenging time, of course, for them, but it left the Alberta taxpayer in a financial situation that those of us that were elected in '93 deemed a situation that had to be rectified.

So what we did then was first of all attack the deficit so that we'd stop the bleeding in terms of the debt, and once we had that in hand, then we started to challenge the debt. When you have a government focused, as this government was, on getting the debt to zero, then there wasn't a lot of room for some of the more exciting things that you maybe brought up in your remarks. I have to tell you that despite the items that you listed that were perhaps in your Liberal strategies in the past – and of course we've heard about those before – we just simply weren't in a fiscal position to be able to entertain that kind of thing.

Now, I think that to our credit we have not tried to hide those facts. I think that we've been open and up front with businesses in Alberta, with businesses in Canada, and with businesses, really, in the rest of the world. I could provide anecdotal evidence of where we have lost businesses coming to this province because we simply refused to subsidize.

Now, there are companies that make a practice of going around to all the states in the United States, to all the provinces in Canada just to see what kind of subsidy arrangements are available. Alberta, my understanding is, again anecdotally, from reports from those companies is that we basically stand pretty much alone because we have maintained over that now 12-year period that we are not in the business of doing business. So tax incentives and access to venture capital, these kinds of things, basically have been a different situation in Alberta than elsewhere.

9:40

You began your opening by making reference to our business plan, and I thank you for that. But if you went to page 4 of the

business plan, you would see at the bottom of that page under Benchmarking Alberta's Performance, I think, that we're quite up front with you, with people that will be reading *Hansard*, people that will be reading our business plan, that when we compare ourselves to other jurisdictions in things like research and development intensity, you'll see under chart 2, venture capital, those kinds of things, that we are far, far below the average.

So now this is something that we have to of course deal with as we move forward. We have shown in the past that we have the ability to do that. There's no question that at one time, at one particular point in our fiscal history, we removed the access to government funding in terms of the film business. We saw, of course, what happened in that particular instance, where our film industry dropped dramatically. So we had to recognize that with film we have a special situation, and we have to provide some consideration in that area. To this government's benefit, of course, we did then start to put money back into the film and TV business and have been able to retain the previous levels of that particular industry.

Now, there's more to go. There's no question that other jurisdictions have gotten very aggressive in these particular areas. But what is so frustrating to me as a steward of taxpayers' money is that these other jurisdictions providing these incentives, you know, are running deficits and running a debt. We know how they do it, of course, and that is just simply to do it, to start writing the cheques and make them available, but it's difficult for those of us that have gone through the rapids, so to speak, of the 1993 to '96 era in Alberta to understand how they can get away with that kind of thing while they have debt.

We've moved from that. We're now in a position where I believe the Minister of Finance has said publicly that we will be reviewing our tax policy here in Alberta. So there are some tremendous opportunities, I think, for people within this Assembly, then, to provide the kinds of direction that they think we should go forward in the future.

The venture capital situation is basically the same. Again, we've not provided the tax credits that other people have and, especially for my labour friends, my social democrat friend, have not given the boost to so-called labour funds, that has happened in other jurisdictions.

One of the beliefs that this government has is that the government does not create jobs. We create the climate that will allow businesses then to expand their operations, to move to Alberta, and it provides, then, the opportunity for young knowledge workers. Just an example I might give you: Dell Computer of Austin, Texas, decided to get involved in Alberta. Again, it's not Economic Development's job to say, "Come to Edmonton" or "Come to Tofield" or "Come to Lethbridge." It's our job to say, "Come to Alberta," and then allow the business and the municipalities to work together to finally define the location.

But we had a tremendous day at the ribbon-cutting for Dell Computer. They had originally estimated, as I recall, something like a nine-month period before they would get to 500 employees. At the time we were talking, they were already there after I believe it was three months, and they had actually developed plans then to go to their corporate board looking for another 250 people to work here in the city of Edmonton for Dell computers. Again, just a tremendous example of how when you have a climate, business will respond.

I absolutely agree about the role that arts, culture, and sports will play within not only the Alberta that we know today but the next Alberta. It would surprise many here in the House, perhaps even the hon. Member for Edmonton-Decore, to know that there are over 105,000 workers that make their living working full-time in the arts

and culture industries here in this province. It's a tremendous economic driver, but it's two things. Of course, it sets up the kind of communities that people want to live in. We've learned in Economic Development that there's a lot to say about subsidy arrangements, there's lots to say about economic climate, but where businesses flourish and where they expand and they grow is where the managers and the owners and the investors want to be associated, where they want to live. There's been a sea change in how we've looked at that situation over the last 20 years. So there's no question about that. We have to believe in the role that arts and culture will make.

As a matter of fact, part of the vision that I have in the developing of Alberta is that along with all the oil and gas and all the agri-food situations and the petrochemicals and all of that, a couple of additional areas that people need to think about: I think we're going to see the development of Calgary as a further financial centre here in western Canada, and I believe that Edmonton will challenge Montreal as the festival city of Canada. I think this is a part of a vision that we should have. The situation here in Edmonton, such a cosmopolitan centre and all of the activities that are going on – the critical mass is really here to make this a dynamite city for an economic development driver that is in arts, culture, and sports.

Now, I don't want to start getting calls from my constituents in Lethbridge and constituents in Cypress Hills. You know, this goes all over the whole province. I'm simply speaking about how dramatic the situation could be in the future here for Edmonton.

As far as the international trips and how we measure and the cost-benefit analysis, it's very difficult because things usually don't happen overnight. Most people, I think, would understand that. For an example, on a recent trip to Germany we got talking with an individual who would like to come to Alberta not because Alberta has a huge population base and would be, you know, a huge customer, but they need a certain resource called peat that we have in Alberta. Basically, he wants to focus on the California market. Of course, with the free trade agreement, the NAFTA agreements, and the I-15 highway system in the States, with the Canamex system coming out of Alberta, he sees a real role, then, for his business.

9:50

Now, the only thing is that we need some assistance from our friends in Sustainable Resource Development, and maybe we can make this happen. So who knows? I mean, I might be able to stand in here at some point, hopefully, introduce a person in the gallery from Germany, and announce that we have a peat moss plant. We don't know, but I can tell you this: had we not gone to Germany with our maps, I'm not sure that we would be accomplishing what we hoped to. So it'll be difficult.

You know, the accountants that are only interested in black numbers on white paper I think will find all kinds of opportunities to criticize me as the minister. I learned in business that promotion and marketing were very, very important, and it didn't happen while you were sitting on your fat ass in your own office. You had to get out and promote yourself.

An Hon. Member: Unparliamentary.

Mr. Dunford: Oh, can I say that in this House? I guess I've already said it. [interjections] I was talking about mine. I personalized it, so I guess it's all right.

In any event, if there are people in the House that don't think I should travel, I'm going to give you lots of room to criticize because I'm going to be out promoting Alberta as best I can. We're going to go to areas where we think we'll have the most impact. Those areas,

of course, are available to you, hon. member, and to others here in the House, right throughout Alberta within our AIMS document, the Alberta international marketing strategy, so you can get an idea of where it is that we'll be heading.

As early as next week I'll be heading to Houston to attend the Offshore Technology Conference. I'll be going then to Austin to drop in and say thanks once again to Dell and then on to Denver as a follow-up to the recent meeting that we had where Colorado public officials and Colorado business investors came up to look at the oil sands and some of the other opportunities that we were able to show them on their particular visit.

Tourism was identified and, again, the 74 per cent increase, which represents now the tourism levy, Mr. Chairman. Of course, there's a situation there where the industry challenged the government for a number of years, saying that the hotel tax is a tax that should be provided, then, to the tourism industry. We accepted the challenge, reduced the tax, and now make the challenge back to them in the sense that they can grow their business, similar to horse racing. You know, the opportunity is there, obviously, to have more people in the accommodation facilities around the province, to market not only their facility but to market, then, the whole province and increase accommodation, thus increase the levy, and increase their ability to market in the future.

You're right: we don't have performance measures based on the film industry, but that's something, now that you've raised it, that we'll want to have a look at.

You asked about some tourism numbers. I have a document that is called *Tourism Insights*. It's from Travel Alberta. You can go to travelalberta.com and receive the same information that I have in front of me. It's the May 2005 issue, and it talks there about entries into Alberta and some of the accommodation indices. You'll see that we have a rise so far in 2005, but I want to tell you, hon. member, that there were a couple of tough years in Alberta: of course, the 9/11 situation; also SARS, that appeared mostly down east; again, the jitters that arrived over the mad cow issue and people, especially in the United States, not understanding that particular issue.

In terms of the questions on the estimates, the international budget we've kept the same. We think that we wanted to focus this particular year not just because it was centennial year, but we wanted to focus on Alberta. We felt that there was work that had to be done in this particular area. So the increase in the industry and regional development and trade was primarily due to increasing the funding for the regional alliances.

The Chair: The hon. Member for Calgary-Varsity.

Mr. Chase: Thank you very much, Mr. Chair. I'm an Albertan by choice, not by birth. I was born in Saskatoon, Saskatchewan, but most of my life and my whole working life and university have taken place in Alberta. Alberta offers an unbelievable tourist potential. We're more than just a movie backdrop, but we do that very well when subsidies are provided for film companies. Prior to the last couple of years a lot of American film companies came up north, and we had Canadian investment as well in Alberta, but that has dried up considerably based on the lack of subsidy and promotion of the industry.

Alberta does provide an unbelievably dynamic natural variety, but unfortunately we don't seem to have sufficient pride or sufficient forethought in terms of preserving our natural beauties. For example, the Cypress Hills, a historical site: whisky traders, the wild west, a very unique natural area where we have grasslands, we have the cypress trees, we have a lake. You name it. Everything possible

is there within that one circumstance, yet we're talking about having wind farms set up for alternative energy in the midst of the Cypress Hills grasslands.

We have the Whaleback. Again, absolutely fantastic western, just right out of the movies type of scenery comparable with the mesas in Arizona, but right now the Whaleback continues to be threatened by further sour gas exploration as we try and get every last drop of gas squeezed out of these natural areas.

Jasper, a world-renowned tourist destination, is being threatened by mining.

Horseshoe Canyon: at one point the government was considering letting this go for a golf course, and now the area is being threatened by coal-bed methane exploration.

Writing-On-Stone, in the south near our Alliance member's area, has only recently had its petroglyphs protected. There was a considerable amount of vandalism being permitted and allowed, and it's only recently that it has been fenced off.

I think we undervalue what it is that we're trying to sell to the world. And what I find interesting is sort of the paradox. We've just increased our tourism budget by 74 per cent, but when people get here, what kind of support do they receive? If they're strictly coming to a convention in Calgary or Edmonton or Medicine Hat, and they don't leave those cities – they fly into the airport; they get a taxi to their hotel; they attend potentially the Calgary Stampede, or they go to Klondike Days or one of the local music festivals – if that's the extent of their tourism, then we have the hotel hospitality, we have the restaurants, we have the service industries to provide them.

10:00

But what happens if they want to venture out onto our roads and go to some of our parks and protected areas? Well, the reality is that this province has only set aside 4 per cent of our land use for provincial parks and protected areas, and even within that land use that's supposedly set aside and designated for protection, we still have, as I pointed out before, clear-cutting in the surrounding areas. Not only do we have clear-cutting in the surrounding areas, but once the large companies have done their work, then the smaller companies go in and pick up the remnants.

I mentioned specifically what happened in the area of Cataract Creek. Not only was the cutting permitted throughout the night all summer during a fire ban, but the following summer a company was allowed to use the trails, the roadways within the park, bulldoze out one of the optimal sites so that they could, then, clear-cut and access forestry on Mount Burk and down to the Cataract Falls. This same company that did the majority of the cutting in the area, with only minimal reforestation, I might add, has the contract to cut all along highway 40, which is the back door to the Kananaskis.

So what happens? We encourage people to get to Alberta, and we encourage them to rent RVs, especially our European tourists, who are looking for the last remnants of the old west and for whatever reason choose to come to Alberta because they consider it a smaller population and potentially safer than some of the crowded Disneyland/Disney World type western destinations in the States. They choose Alberta, but what do they find when they come here?

It used to be when we were growing up that you would go into a park and you'd have an interpretive centre, and there would be a wildlife show, and you'd be taken on a trail for a hike, and you could count on a couple of these shows at least every week. Well, given the cutback in park staffing, this no longer is possible.

Safety is a concern. A number of the foreign travelers don't realize that if they get off the trail or into the wilderness, they better find a conservation officer first to report where they're planning to

hike because they're basically dependent on self-rescue. We have cut back conservation officers and conservation offices and tourist information within the close vicinity of the parks to such an extent that people are left to their own devices. Sure they can pick up a pamphlet here or there, but they would like to see a friendly face and know that they were safe, and it could be an enjoyable experience heading into the background and the backcountry.

One of the major attractions for tourism to Alberta would be a strongly funded Alberta arts and culture. A number of local areas have had to cut back on their festivals due to lack of support. A number of country initiatives are doing their best, and they're basically doing it on their own with very little funding from this government. An example would be the Rosebud Theatre. Recently I had the opportunity to travel down Drumheller way to East Coulee, and basically the local organization with volunteers has provided the majority of the funding for their East Coulee coal mining museum. Likewise, they're trying to restore a wash house.

These are all local initiatives, and while I applaud local initiatives, there is a role for the government in terms of providing support. We have the potential of expanding our museums and getting more out of the box and onto the display case, but again that requires funding. In Calgary, for example, we have the Museum of the Regiments, which receives very little funding in terms of the total percentage from the provincial government. Likewise, we have our art gallery located in the convention centre in downtown Calgary. It's a wonderful site, but because we have to have so many of the displays packed up in back rooms because there isn't sufficient expansion to show them, this is a sad circumstance.

We still haven't got to the point where we feel that we need to preserve our public land. It's still being sold off. Ranchers who would like to purchase it or at least continue to have their grazing leases when they can't afford to buy the land are frequently being denied access, and that's because the land is being packaged and sold off for potential development that is not in keeping with the natural surroundings, whether it be ranching or agricultural uses.

Alberta requires an investment. We need to move forward, and in order to do that, we need to consider subsidizing local industries, made-in-Alberta solutions. I know the government is wary of such subsidies. There have been mistakes with MagCan. There have been mistakes with Daishowa. Most of the mistakes have occurred when we've invited foreign investment, but we have laid the majority of the money down for these foreign investments, whereas there's been no proportional investment in made-in-Alberta solutions, and this is why the hon. member brought up the need for subsidies, whether it be for films or whether it be for local industries.

Alberta has unbelievable potential. We need not only to market it, but when people arrive, we have to promote it. We have to have roads that are safe to drive on to access the backcountry. We have to have trails that are safe to hike upon. We have to have benches that are no longer decaying. While I worked in my particular park at Cataract Creek because there was very little, if any, budget for replacement, I took down more staircases, patched up lookouts than I could possibly replace. The fact was they were a safety concern, and there wasn't sufficient reinvestment. People were charged a fee, two and a half dollars of which was supposed to go back into maintaining infrastructure, but despite the \$45 million announcement for parks and protected areas, very little of that money is actually going back to restoring and renovating parks. With the exception of the recent announcement with the Lois Hole that took over the name from the Big Lake, there are – at least, they are yet to be mentioned – no plans for further extension of parks and protected areas beyond our current 4 per cent.

As I've mentioned – and I will shortly sit down – there does not appear to be sufficient appreciation for protecting the little bit of

wilderness that we have remaining. There has to be a balance between nature and industry, and unfortunately that balance hasn't been achieved at this point in this province.

The Chair: The hon. minister.

Mr. Dunford: Yes. I just need a minute here. A number of things that the hon. member discussed I want to reply to. In the film area I'd like to draw the attention of the Assembly to the fact that we have a DVD that is ready to be circulated. In fact, a staff member of my office was working on it earlier today. It provides a view, first of all, of some of the many movies that have been made in the last little while although when you're my age you can look back with some affection on a movie that was called *River of No Return*, not only with Bob Mitchum but Marilyn Monroe. She just looks as fresh today in that video as any of them. It's an excellent, I think, production that we have, and as I say, it will be circulated. It might surprise you, first of all, not only the range of film that has been done in Alberta but, actually, the quality of those films as well.

10:10

One of them that was on there was Kevin Costner, who, of course, I think produced and directed as well as starred in the film *Open Range*. I know that people have often talked about how a film done in New York, it was just like New York became almost a character in the cast. I think we can say that in *Open Range* that magnificent country southwest of Calgary was really a character in that movie. It was just tremendous.

There's no question about movies, the impact that they can have on the tourism industry. I don't know if you've seen the film *Sideways*, hon. member. Recently produced, it's a story about a couple of guys on a little tour, you know, as a stag almost before marriage, and they tour the wine country of California. Pinot Noir was highlighted as a wine. It's just been absolutely amazing. Two things that have happened since that movie is all the people doing the wine tours, and of course Pinot Noir, you know, has just taken off. I don't drink, myself, but I'm told that Pinot Noir has taken off now as a product.

So we will be looking at ways to further enhance the movie business in Alberta. There's no question about that. I think we can agree that we have to do this. Where the disagreement might come at some point is: how do we get there? But we're on the same page as far as trying to magnify that industry here in the province.

You mentioned Writing on Stone, and I wanted to highlight that because, again, part of our tourism objective is to do two things at the same time. One is not to diminish the Big Three in the province, which is, of course, the city of Calgary, the city of Edmonton, and the Rockies, but also to expand the tourism product in areas, then, outside the Big Three and particularly east of the so-called corridor between Edmonton and Calgary.

Some of the things that we're going to be looking at are the enhancement of the Canadian badlands, the Dinosaur Trail, which, actually, will have its genesis, I guess, at Writing on Stone, somewhere in that particular area, maybe at Devil's Coulee at Warner – I'm just not exactly sure – but certainly in the Cardston-Taber-Warner constituency. Then it will run in a northerly direction up, of course, through Drumheller, and then it's going to cross the corridor into the dinosaur tracks at Grande Cache and then on up to the River of Death, as they call it, near Grande Prairie. This is a phenomenal site. Who knows what happened way back when dinosaurs roamed this part of the country. Something happened, and there was a whole herd – or is it a flock of dinosaurs? [interjections] What is it? Well, they say that dinosaurs led to birds, so let's call them a flock of dinosaurs.

I wanted to point out also the tremendous – and the member talked about it. When they come to a convention in Calgary, it's not just that they're in Calgary or they're just in Medicine Hat and then they leave. We have to capitalize on giving them reasons to move around while they are here. Looking forward from here to 2010, we're going to of course try to find ways to capture the imagination of foreign travellers coming to Canada for the Olympics in British Columbia in the year 2010. We'll do that not only as a province, but we'll try to do it as a region, to include British Columbia, perhaps Saskatchewan, but also through our membership in PNWER, which is the Pacific Northwest Economic Region, to capture that whole area of opportunity, then, for a person from Germany or Latvia or Russia, that when they're going to be in Canada, there would be opportunities here in western Canada.

We talk about it being a small world, and there's no question that information technology has made it a small world, but it's still a big world. When you are in Germany, for example, and you look at what you have to do in order to get to the 2010 Olympics, then you're going to have to come to, you know, a particular spot, a little dot on the map, but obviously we need them to expand their vision and, of course, expand their travel.

Quite a bit about parks. We are very supportive of the Ministry of Community Development and the focus that they've had on parks this year. There's no question that the parks need upgrading and more support. That, again, is part of tourism, not only the fact that it would attract campers from beyond our borders, but still the biggest tourist in Alberta is an Albertan. While I don't camp, others of course do and in great numbers, so it's obviously something that we need to do.

In arts and culture you mentioned the Rosebud Theatre, and as a matter of fact just last Friday Mr. Owen, the federal Minister of Western Economic Diversification, and myself were announcing a western economic partnership agreement, and Rosebud Theatre was actually part of this. About \$500,000 of Canada and Alberta funds are going to expand the meeting rooms, dining facilities, kitchen, and an investment centre. So again both levels of government have recognized what a little gem that Rosebud Theatre is and are moving forward on that.

10:20

You digressed a bit, I think, from the estimates to talk about MagCan and Daishowa, and I think the record needs to be straightened out for the purposes of those people that might be reading *Hansard*. I don't think I would disagree with you about MagCan being an experiment that failed, but with Daishowa I don't know that there were government dollars that went into that operation back whenever it was that Alberta was intrusively trying to diversify the economy.

I have a note from my colleague that indicates that it's the fourth largest company now in terms of revenue generation, a major timber-rights holder in Alberta, controlling, managing 1.75 million cubic metres of annual allowable cut through the Peace River pulp. I mean, all of this is meaning employment, so perhaps it was just said in error, trying to show where there has been failure. I don't know that anybody on this side of the House would include Daishowa in any sort of list of that order.

With that, I think we've approached at least most of the comments that you made. What we've missed, not only for you, hon. member, but other speakers that were previous or will come later, we of course will research *Hansard* and provide answers to the appropriate questions.

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

Mr. Eggen: Thank you, Mr. Chairman. I'm very delighted to rise and speak in regard to the budget estimates for Economic Development this evening. As I have previously, I'll ask my questions in clusters, so the hon. minister can answer them here this evening or in writing, however he might see fit.

I am encouraged by the overall numbers of the Economic Development ministry. My understanding is that we see a 37 per cent increase in the budget this year from last, and the bulk of that increase in spending is going specifically to tourism marketing and development. You know, it's been my belief that over the past number of years we have not been marketing Alberta as a tourist destination sufficiently in the international markets. Hopefully this money will target North American travellers from other parts of Canada, from the United States, Europe, and Asia because, of course, we have a tremendous product, if we could call it that, in our province as a tourist destination, but there is a great deal of competition in the tourist industry internationally.

We have to have a product that meets the level of advertising that other provinces and destinations around the world are marketing. I think we have to look no further than, say, the Newfoundland and Labrador advertisements that have been out in the last couple of years. You know, we just don't have that level of effectiveness with our own Alberta marketing. With this new money we should perhaps step up to that level because, of course, consumers look at their tourism dollar just like any consumer choice. The level and quality of advertisements really do make the difference to attract or not attract people to our province.

The hon. minister, of course, pointed out that the majority of the tourism trade in this province is coming from Albertans themselves, but you want to keep people longer in different destinations. You want to move them to areas where perhaps they haven't been before. Again, in this age of advertising and sort of a level of advertising we have to meet those expectations in order to attract people to perhaps new areas in the province that they haven't visited before and such things like that.

I'm very encouraged to hear that the hon. minister is less inclined to have Economic Development be in the business of being in business. Certainly, it's our position as a caucus that some of the businesses that our provincial government has endeavoured to support and subsidize in the past have been unmitigated disasters. You know, by being once burned twice shy, I hope that we will continue on our path to stay out of open and sort of large-scale subsidies of businesses in this province because, indeed, at the end of the day it usually turns out less than favourably.

I have a number of questions just in regard to the different areas that Economic Development is controlling, so I'll just go through these reasonably quickly, I hope. Within the Ministry of Economic Development, under the deputy minister's office, there is a service known as corporate communications. My question, looking at the larger function of other parts of the government here, is: what's the difference between corporate communications within the deputy minister's Department of Economic Development and then the office of the Public Affairs Bureau? As far as I can read, their descriptors have almost exactly the same sort of mandate. I think that perhaps some differentiation would be in order between these two. I would appreciate some information in regard to that.

Perhaps this is a place where we can look for redundancies because, of course, communications within this government employs a tremendous amount of people, and I believe, as we like to say or as the hon. member's party likes to say, that they want to stay out of the business of being in business. Perhaps they can pull back in some of these areas of communications, of which we have legions, I believe, in this government.

My next sort of grouping of questions is to do with trade mission offices. I know that this government has pulled back from their trade mission offices in past years for the sake of efficiencies, but now we're seeing these offices opening again in new and different places. Certainly, our caucus recognizes the value of having trade mission offices in various locations around the world, but I just wanted to get some clarification on some of these offices.

For example, I would like to know why there are two international offices in the city of Beijing in China. Now, of course, China has surpassed the United States as the world's largest consumer of raw materials, and again Alberta cannot ignore China as a potential and real market for expertise and goods and services. However, for the sake of efficiencies, perhaps we would be better served by a single office in Beijing and perhaps another one in another Chinese city such as Shanghai, which is another focus of great economic development in this country, or perhaps, you know, in Guangdong province, which is a special economic zone in southern China that we might be focusing on, or our sister province in China. I believe Harbin is the capital, so our representation is there.

Another trade office or special office to the province, of course, is the recent one that was opened in Washington and I believe is housed in the Canadian embassy in Washington. Again, you know, I think it's a useful thing to endeavour for greater and better trade relations with the United States, especially at this juncture in our history with that country. I'm just curious about the operation of this trade office in Washington. Last week Greg Melchin, the Minister of Energy, travelled to Washington to get in front of the regulators, quote, from his press release. I'm thinking that perhaps Murray Smith, who has been in Washington for some time now, would be the point man for such operations in Washington. Furthermore, when Mr. Smith did go to Washington, he said that his focus would be, in fact, energy, the portfolio for which he was the minister before he left to go to Washington.

10:30

Perhaps, you know, we could be looking at some efficiencies in regard to this trade mission and, specifically, different jurisdictions. I think that Washington is certainly a great centre of lobbying as well, probably the very biggest one in the entire world, and there are many professional lobby outfits in Washington. Perhaps we could find efficiencies through hiring people who are, in fact, paid professional lobbyists in Washington.

Just very briefly looking at some of the other trade missions in Korea, I think that this is a fine place, certainly, to have a trade mission. If I could just point it out to the hon. minister, and perhaps someone can look at it. I couldn't help but be somewhat critical of the website for the Korean trade mission. You know, it just didn't seem to be at a level that other websites that are produced by this government are performing at. It's just very difficult to use and quite amateurish and has lots of grammatical mistakes and things like that. In Internet-savvy places such as Korea this is the first face that our province has given to potential investors and tourists and whatnot, and perhaps this website could be revisited.

Through a number of the interactions here previously this evening the hon. minister mentioned the potential for Prince Rupert as a port for our province. I, too, and our caucus are very excited about this potential. I think it's a strategic move, and it's a fantastic economic move as well, but we have to be careful to make sure that our interests are best served through this endeavour. My own constituency has the main line of CN running through it, so I know some of the political things that are going on with CN in regard to building this port in Prince Rupert and how Illinois Central's purchase of controlling interest in CN is very much a part of this development of Prince Rupert as a port.

Again, I applaud it. Certainly, the potential is enormous, but, you know, when I speak to some of the CN people, how they describe it, particularly through Illinois Central's perspective on it, is that they look at Prince Rupert as being 72 hours from Chicago, Illinois. Right? This is their focus, which is fine. From Prince Rupert to Chicago, 72 hours, moving goods and services back and forth. I just want to remind the good people at CN and then hon. members here as well that we're in between those 72 hours, and for us to be able to have goods and services stopping and interacting with our economy in the best possible way is very important.

We have to be very firm in our negotiations with the Americans with their intentions of the Prince Rupert port because I know that they're looking at it as a strategic port for their own interests, of course. But we have to do hard negotiating. It's like the pipeline with the gas coming through our province. We have to make sure that we negotiate, that we take a portion of that value to develop value-added industry in our own province rather than just having the pipeline pass on through.

There has been quite a lot of discussion about film. Again, it's a difficult industry to break into, I know, and we have had some degree of success in the past with some filming. I think it's more by virtue of our specific settings that filmmakers might be looking for, certain landscapes that we have or beautiful places and vistas that they're looking for, rather than a focused effort to build a film industry here in the province. I know that this is a two-headed beast because, of course, you want the potential for film development in this province. It really does bring in a lot of money. We have to look no further than British Columbia to see what it has done for that province's economy.

But so often the film industry is a bit of a race to the bottom to attract filmmakers and to have them stay and work in your city or your province or your locale. You know, I really object to this bending over backwards, so to speak, giving tax breaks and special provisions and whatnot to companies, which at the end of the day are subsidies by any other name. I would like to make sure that filmmakers are coming into Alberta and paying their fair share for what they are taking from the province.

Most of all – and this hasn't been discussed too much, but I hear it from local film people. They've asked me specifically to bring it up: to have specific provisions to hire local talent for these productions. So often these guys are bringing in the whole kit and caboodle from Hollywood or from Toronto or wherever and setting up without producing appreciable lasting jobs for our local actors and actresses and film workers of all sorts. I don't pretend to know the industry so well, but certainly hiring Albertans first should be a priority at all stages along the way.

Finally, economic development, you know, is a funny thing. Sometimes right means left and left means right. I'm a firm believer in allowing, certainly, businesses to sink or swim on their own accord. For certain essential services we require that our electricity be affordable and that we have water and accommodation and adequate healthy food to eat and all of that kind of stuff, but for other businesses certainly the market should dictate and must dictate. So I hesitate at allowing and giving large tax breaks to different sectors and all of this kind of thing, but I think that we do need to look at diversification. We all recognize that as a pressing need for future generations as our energy-based economy changes. We want to be ahead of those things.

So one thing I would like to suggest in terms of a long-term economic plan for budgeting for economic development in conjunction with energy is that if we could take a specific amount of energy monies, look to perhaps increasing the royalty rates that some energy producers are paying for our oil and gas, and encourage industries

that produce alternative green technologies made in Alberta. I think that the combination of sort of using that old energy money and investing it in new renewable energy technologies is a very appealing plan. I think that we could go a long way to diversifying our economy and building something good for future generations.

10:40

I was in southern Alberta about a month ago and looking at the wonderful wind generation capability down around Pincher Creek. Almost all, I think, of those turbines are either produced in Europe or they're produced in the States, a few of them – right? – and it would just be such a wonderful thing to take some of that old energy money and put it into building our own wind turbines here in the province. You know, it's just one small way by which we could diversify our economy. I know that we don't want to be getting into central planning and five-year plans and stuff like that. I know that makes you guys itchy, but there are lots of reasonable, capitalistic ways that we can do that by having this money enter into our money markets and by allowing businesses to diversify and build a strong economy for the future.

So I do have some praise for the minister. I think that he certainly feels better to me than the last Economic Development minister. Let's put it that way. I encourage him to move forward and be successful in his endeavours.

Thank you.

The Chair: I would like to remind the hon. member of *Beauchesne's* 484, which refers to referring to another member of the House by name.

Mr. Dunford: Well, I'm going to accept the compliments of the member and point out that there's quite a bit of difference. I am not running for the leadership of this party.

I also want to thank the member for his support for the tourism dollars. I think that this has been a good move for everybody concerned. As far as I can tell, taxpayers of the province, my constituents, and people here in the House have really supported this. I don't know if I've heard anybody that's been opposed to it. So I think it's gone well for the tourism industry, but the challenge, of course, is that they use it and that they actually make it grow. That's what we're really after.

Corporate communications. I think it's an excellent question, but in a sense the answer is one that would remind the member about the complementary nature that there would be in terms of communications. The Public Affairs Bureau, of course, is there to promote the government of Alberta in some of the 60,000-foot level kinds of things that government would do. As a matter of fact, our communications people in the individual department, at least some of them, are actually employed by the Public Affairs Bureau. Then, of course, we have people within our communications branch that report to us and are paid by us.

I don't know if you've heard any of my speeches in public, but when I stick to the script, they're great speeches. Where I get in trouble is when I start to digress or when I make it up off the top of my head, although that's being open and transparent because you can see the top of my head. [interjection] I knew it. I knew it. It works every time, that one.

But I'd like to remind all the members of the House, then, that at the ground level, where we as the department and the minister operate, there are specific details that we feel are important in providing information not only to other members here in the House but to the general public or to specific public. I sometimes tease my staff by indicating that we must be the ministry of reports. We have

a tremendous number of reports that are circulated, and I think they are excellent documents.

We noted your criticism on the website on Korea. Certainly, as I was making notes, I glanced upstairs to see that they're making notes, and I'll be getting a briefing, no doubt, in a day or two on that particular website. These are the kinds of things that we get involved in. I have to tell you, hon. member, that I can't believe the activity that we have. As the previous Minister of Human Resources and Employment we had over a billion dollar budget. We had all kinds of things that we were trying to do in terms of reforming and changing and improving, yet I never got asked to go and speak hardly anywhere. I'm not sure how to explain that. I guess it was just the kinds of things that we were dealing with. We tended to be more reactive than proactive. But now, within Economic Development, I mean, you have a budget that's 95 per cent smaller than what we had previously, yet it's unbelievable the invitations, the requests for Economic Development and, thus, the minister to appear and to speak.

As we stand here, I can't really tell you on a daily basis how many people are actually working on speeches for me, but I don't know if a day goes by that I'm not speaking, you know, to some group. I've had days when there were five speeches that were prepared for me and were presented, obviously with the little note: check against delivery. [interjection] You got that, did you?

Certainly, on the trade missions: again, this is an area where I will be open about what we're going to do, and of course I'll be open to criticism for what we are doing. I don't know how else to deal with it except that when my time in this department is over, I want it said of me that he wasn't afraid to go, you know, into the lion's dens around the world to promote Alberta. As I said, we'll be doing it next week in Houston, the week after that will be a tourism function in Saskatoon, then on to Ottawa to talk to federal counterparts, and then on to Montreal to see what we can do about biotechnology in this province. Quebec is probably the leader in the country. I don't know that we can operate the way that Quebec does, but I want to look in people's eyes and see if there's some kind of model that we can come up with to inject some more energy into our biotechnology areas.

I want to say that when I started this evening, I poked fun at myself about the biotechnology area and the function that I was just at. But the young people, these high school students that were there and the fact that they were working on ways to identify and control breast cancer cells, the fact that they were looking at various ways to enhance canola, the fact that they were involved in other communicable diseases and that sort of thing: I mean, I didn't have to understand the science necessarily behind it to know that here were these young people that are working right at the cusp of modern science and research as it relates to primarily medical factors. In biotechnology what we're doing is that we're taking the science of biology and then combining it with technologies that are available and moving forward.

So I need to actually give myself, I think, a little more credit, Mr. Chairman. I'm not as dumb as some people might think I am in this particular area. But I did like having a bit of fun with it.

10:50

On the two offices in Beijing it was astute, of course, to recognize it. For a long time we have had a combined organization that is the China-Alberta petroleum corporation, so that's one of the offices that we have in Beijing. Then, of course, the other is co-located at the Canadian embassy and provides, then, normal kinds of services. Your pointing out Shanghai I think is something that this minister or ministers that will follow me are going to really have to have a look

at because that's a very, very exciting place right now if for no other reason than just to tie it in again with the B.C. ports strategy.

When we were out touring Prince Rupert and the port of Vancouver a couple of weeks ago - I guess it was during the Easter break - everything we heard about in terms of containers had a tie-in to Shanghai. Everything we heard about the huge tower cranes that are used to load and unload container ships onto container ports: Shanghai. Just a little anecdote. You might find this interesting. As we speak, ships are being built in Shanghai that will carry 8,000 containers. These ships are so big that they will not be able to get through the Panama Canal. So that's going to create some interesting dynamics, of course, for the western part of the U.S. and Canada.

But the port of Vancouver, both in Burrard Inlet and also at the Delta port, is expanding and, of course, they need more of these cranes. Of course, to get into Burrard Inlet you've got to get underneath the Lion's Gate Bridge. These cranes are so huge that they will not be able to get under the bridge in the final constructed frame. What they will have to do is that they'll have to wait for low tide, and they've also had to not finish off the construction of it so it can get under the bridge. So you're getting a tour of the harbour, and you're looking up at the Lion's Gate Bridge, and you think: well, that's a long way up there. You can just imagine the size of some of these structures. Shanghai is likely going to have to be a possibility in the future.

I don't like passing the buck. I'd like to take the buck. I'd like to have the Washington, DC, office but that's Ed Stelmach's area. [interjections] Oh, I'm sorry. Did I just do that? The Minister of International and Intergovernmental Relations has that office.

The Chair: Hon. minister, just a reminder that it's *Beauchesne's* 484 if you're interested in looking it up later.

Mr. Dunford: Yeah. Actually, I need to do that, don't I?

On the comments about Prince Rupert, again you've recognized, as we have, the importance, and certainly we're following the CN situation and looking for opportunities that that might be able to present. About 60 per cent of those containers that are coming back from the Memphis area up to Chicago and then west, as I remember from our briefings out in the ports, are going back empty, so tremendous opportunities for Alberta products to be in containers that are already built, and of course in terms of back-loading prices.

I agree with you absolutely about the jurisdictions and trying to compete for film. You termed it a race to the bottom. I agree with that, and I don't understand how they can do it, but clearly money goes to where it's welcome. Again, it's going to be a constant challenge, I think, for any jurisdiction trying to get film. You know, it is a great industry in that sense.

Before politics I did a number of things, and one of them happened to be providing some management assistance to a number of small businesses in High River, Alberta, in 1990 or '91. I forget which year exactly. *Unforgiven* was being filmed in that part of the world, and it was just phenomenal what it was doing for the motel business and the restaurant business in that area not only in High River but in Longview as well.

I'm not sure how we could deal with your thoughts about siphoning off some of the energy stuff to invest in a particular business, but certainly the green technologies are part of the future of Alberta. I would just remind the hon. member and direct him, actually, to the EnergyINet. This is an initiative that I'm incredibly excited about. To have all of those reserves that we have here in Alberta, it'll make us the energy capital not only of Canada but of the world. The fact of the matter is that each technology we will use will be greener than the one previously used and that at some point

in time we're going to have huge energy coming out of this province and zero emissions. Now, there's a vision.

The Chair: The hon. Member for Cardston-Taber-Warner.

Mr. Hinman: Thank you, Mr. Chairman. I appreciate being able to get up and talk about our economic development here in the province. We definitely do have a province where the economy is booming. We have increased industry, as the minister has mentioned. Economic prosperity and diversification are coming forward. He referred a little bit to greater value to our customers around the globe. He has talked about value-added product instead of exporting our raw materials, attracting investment from international markets. He has been travelling around the world. I do appreciate that and him being willing to take on, as he says, the tigers. I didn't see any claw marks or teeth marks, though, so I don't think they're that unfriendly.

He commented, though, earlier in the area where I want to get to. He says that they don't participate in subsidies and tax incentives, and the area I have to question the most is that where our economy is booming the best and doing the best and you're making your trips and putting in a great deal of effort, and that is in the oil and gas industry. We've got an absolute boom and, as has been mentioned, a hundred billion dollars worth of investments coming up there.

It just appears to me that one has to ask the question: do we have to have such great incentives for them to come with their capital expenses? They're giving away a lot there, and I guess what's even more disheartening is that it's obvious there's a major rush for those commodities. It seems like we're saying: you can have the commodities for free at 1 per cent royalty until you've paid off your capital investments.

We've got such a boom that we can't even keep up with the infrastructure there. There isn't enough land available. There aren't enough workers available to do it. The infrastructure isn't there to even accommodate that many people, but we're going gangbusters there. The incentives are so low, we're on sale and, like I say, giving away our products.

I guess what I want to turn that to is your talk about the tiger in Alberta. It seemed like the tiger is claiming our land, and it's not leaving any room for the beef industry. That's the area where I'd like to focus in all of that. You've made many trips to different areas in the world. You're going to make more. I would ask that you would put the beef industry and the packing industry in the top of your priority list.

This is a billion dollar industry. We've talked about a lot of smaller industries. They're all good and important, but the packing industry and cattle, specifically, is one of our largest ones, and we've been devastated. I've referred to it before that we've had a tsunami that's come across our land, and it's wiped out a great deal of the money in the industry. It's gone to big business, specifically to packing plants that have a monopoly on exporting our beef. No one has, so I've asked the minister to please put very high on his priorities to try and focus and take all of those innovative and initiative ideas that we've had in our other industries and try to attract business in cattle.

11:00

I specifically want to point out that I'm very worried that our efforts have all been to focus on opening up the U.S. border. They've got chronic waste disease in their wildlife, and for them to continue to say that they don't have any mad cow – we don't want to be the fools lined up to get in there, only to be locked up with them with trading in the rest of the world. I would urge this government and this minister to go to those areas.

In goal 3 you specifically have in there that Economic Development has developed Alberta's international marketing strategy and target priority markets for investment attraction and trade. We need that in the cattle industry. Out in the rural areas they're getting very discouraged, especially trying to get up the small packing plants. They continue to be told what they can and cannot do specifically when it comes to testing BSE.

In every disaster there's always something good of it, and I feel that what would be most critical and important is that we are to go out and develop new markets in the Middle East, China, Japan. There have even been delegations from Europe come here and say that we can export into Europe even with the ban on hormones because we can ship out natural beef.

In closing, I just want to reiterate, I guess, the distress that rural Alberta is in. Their perception of the cattle industry in rural Alberta is that this government is declaring losers, and those losers are small businesses in rural Alberta. They're willing to help big business, big cities.

Perhaps your vision would be best described for many rural Albertans: Alberta is the best place in the world to live, visit, and do business unless you own cattle. We've got to change that around. The mission to many of the rural areas and small businesses and small packing plants that are trying to get up and running is to facilitate big business and prosperity in our cities. I ask the minister on behalf of the cattle industry in rural Alberta to please focus on them. We know that we have the product here, and if we put our minds to it and be innovative and seek and put an effort into that, we can see the cattle industry prosper again.

Thank you.

The Chair: The hon. minister.

Mr. Dunford: Yes. Quickly, to focus on the beef industry, to make sure that I get those comments in, certainly, there are two areas. First of all, on the slaughterhouse side I agree about increasing the domestic slaughter capacity, and that fits two of our initiatives. It fits the value-added initiative, and it fits the rural development strategy. So we'll be working in that particular area. Where the difficulty comes, of course, is: how do we inject money into an enterprise?

Also, I would remind the hon. member that – and, first of all, I agree in diversifying the export of beef into other countries, and in order to do that, while we wouldn't invest in an actual business, we did provide \$30 million to the Canadian beef marketing organization. I don't remember its exact title. Then this was followed up, I don't know, a week or so later by \$50 million from the federal government.

Basically, we recognize the need to diversify not only our own economy but to diversify our export relationships, especially in the area of beef. I don't know that we'll agree on all areas as to how we get there, but certainly I think we can start from the same base, anyway, in terms of how we would deal with this area.

I think our regional development alliances are important aspects of the rural development strategy. As I mentioned in my opening remarks, something like, I guess, 90 per cent of Albertans are now covered by a regional economic development alliance. Of course Calgary and Edmonton each have theirs. You are aware of SouthGrow; you've attended the meetings. I don't know if you've had a chance to attend the Palliser economic development region, but again there they are. They're people at the ground level, people that are aware of the kinds of facilities, the kind of inventory that's already within their community, so they're trying as best they can, then, to come up with the kinds of ideas, the kinds of initiatives that

they can support at the local level and that we can support at our particular level.

The royalty structure, I think, is the most misunderstood issue in Alberta right now. I don't think it's nearly as bad as what opposition members would tend to have us believe, and I think that at some point the Minister of Energy – I don't know if his estimates have gone on already but . . .

Mr. Coutts: Yes, they have.

Mr. Dunford: Have they?

Mr. Coutts: Yes.

Mr. Dunford: Okay. Well . . .

The Chair: I hesitate to interrupt, hon. minister, but in accordance with Standing Order 58(4), which specifies that a "vote on an estimate before the Committee of Supply shall be called after it has received not less than 2 hours of consideration," I would now call the vote on the estimates of the Department of Economic Development.

Agreed to:
Expense and Equipment/Inventory Purchases \$79,750,000

The Chair: Shall the vote be reported?

Hon. Members: Agreed.

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

Mr. Zwozdesky: Thank you, Mr. Chair. It has indeed been a very enlightening evening, and the Minister of Economic Development has done his usual great job explaining it all, and for that we are all grateful. I would, therefore, move that the committee rise and report the budget of Economic Development and beg leave to sit again.

[Motion carried]

[The Deputy Speaker in the chair]

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

Mr. Oberle: Thank you, 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, 2006, for the following department.

Economic Development: expense and equipment/inventory purchases \$79,750,000.

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

Hon. Members: Agreed.

The Deputy Speaker: Opposed? Carried.

head: 11:10 **Government Bills and Orders**
Committee of the Whole

[Mr. Marz in the chair]

The Chair: I'll call the committee to order.

Bill 37

Financial Statutes Amendment Act, 2005

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

Mr. R. Miller: Well, thank you very much, Mr. Chairman. I don't know where to begin because I had three particular questions. [interjections] Now, don't encourage me, guys, because otherwise I'll take my whole time. I'm quite willing to stand here and use my time if that's . . .

An Hon. Member: Filibuster.

Mr. R. Miller: I will filibuster. I will learn very quickly how to filibuster, if there's a need to do so.

Mr. Chairman, in second reading, there was a commitment made by the minister to answer three particular questions at the committee stage, and I'm hoping that we'll be able to fulfill that commitment tonight. In particular, they were regarding the raising of the cap on resource revenue spending from \$4 billion to \$4.75 billion, the fact that the native land claims were being added in as a consideration outside of the regular government spending, and on behalf of the Member for Edmonton-Gold Bar a question as to what would be happening to the revenues generated by the funds that are to be set aside in the debt retirement account.

Assuming that we can hear some answers from the members opposite as to those three particular questions, I had already recommended in second reading that we were willing to grant our approval to this bill.

So it looks like I might well be receiving those answers, and I look forward to that.

Thank you.

The Chair: The hon. Deputy Government House Leader.

Mr. Zwozdesky: Thank you, Mr. Chair. To the hon. member asking the questions, I just wanted to indicate for him and for other members here that the Minister of Finance will, indeed, during her remarks in the next day or two specifically answer the questions that have been referenced and will elaborate further at that time.

Mr. R. Miller: Is it my understanding, then, that we're not going to get the answers to those questions before we're expected to vote this bill through committee?

Mr. Zwozdesky: I think the intention is to finish with committee tonight and then move on to third reading hopefully by not later than Wednesday, and during her remarks on Wednesday prior to the vote you will have the answers to the questions you require.

Mr. Chase: I'm wondering if at this point, then, we should adjourn the Committee of the Whole so that we can have those answers as part of the process rather than proceeding to the third vote. I'm just suggesting that we adjourn at this point, then, the Committee of the Whole so that we can have those answers.

I move that we adjourn the Committee of the Whole so that we can have the required answers before proceeding to the third stage.

The Chair: I believe the proper motion would be rising and reporting progress out of committee, not to adjourn it.

Mr. Zwozdesky: Agreed. Why don't we do this – I understand where the hon. members are coming from – I will undertake to get them those answers before third reading starts, so that they'll be able to be guided. The answers are very straightforward, but it will be up to the Minister of Finance. She did have some other urgency tonight and apologizes for not being able to be here in person to provide them. But I'll undertake through her office to get it to all the members, especially the two members questioning it tonight, if that alleviates their concerns, and I hope it will.

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

Mr. R. Miller: Thank you, Mr. Chairman. I'm not going to belabour the point at length because I understand that, in fact, the Finance minister did have some other urgent matter come up. It's just a little frustrating, quite frankly, because I am aware of the fact as well that there were negotiations going on between our House leader and the assistant to the Government House Leader in this matter. At one point this bill was taken off the agenda for tonight, and then it was put back on. It was off, and it was on.

My understanding, when ultimately it was put back on, was that we would be receiving answers to the questions that were asked at second reading before we were expected to pass this bill through committee. Obviously, we're not going to win any vote anyway, quite frankly, but I'd just like it to be on the record that I'm a little frustrated with the fact that a commitment had been made that we would receive these answers before the bill was voted at committee. I do appreciate the hon. Education minister's commitment to make sure that we have them now in advance of third reading. I certainly hope that that does take place because as I had indicated in second reading, I have no intention of holding up this bill. It is truly a housekeeping bill, but at the same time a commitment was made, and I had hoped that it would be honoured before we would be asked to vote in committee.

Having said that, I will continue to recommend to my colleagues that we support this bill, having noted that I'm somewhat less than enamoured with the fact that we didn't get the answers that we hoped to have received tonight. Thank you.

[The clauses of Bill 37 agreed to]

[Title and preamble agreed to]

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

Hon. Members: Agreed.

The Chair: Opposed? That's carried.

The hon. Deputy Government House Leader.

Mr. Zwozdesky: Thank you, Mr. Chair. I would move that the committee now rise and report Bill 37.

[Motion carried]

[The Deputy Speaker in the chair]

The Deputy Speaker: Hon. members, I'd like to remind everyone before we proceed that tomorrow the Forum for Young Albertans will be taking place here in the Assembly, so if everyone could remove everything from their desktops tonight, it would be much appreciated. It won't be there in the morning if you don't.

The hon. Member for Peace River.

Mr. Oberle: Thank you, Mr. Speaker. The Committee of the Whole has had under consideration certain bills. The committee reports the following bill: Bill 37.

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

Hon. Members: Agreed.

The Deputy Speaker: Opposed? So ordered.

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

Bill 35
Employment Pension Plans Amendment Act, 2005

[Adjourned debate April 5: Dr. Brown]

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

Mr. R. Miller: Thank you, Mr. Speaker. It gives me pleasure to be able to rise this evening and open debate on behalf of the Official Opposition on Bill 35, the Employment Pension Plans Amendment Act, 2005. This bill, on the surface at least, appears to be a positive step forward, particularly as it refers to private pensions. I understand that it is designed to increase the superintendent's strength for monitoring and enforcing private pensions, designed to increase employee access to information for pension plans, designed to facilitate provisions for dividing pension benefits on the breakdown of a marriage, and designed to allow terminated pension plans to be turned over to the Public Trustee on behalf of members that cannot be located. These, as I said, certainly would strike me as being good things, yet having said that, there are certainly going to be a number of questions that I would like to see addressed before we grant our approval of Bill 35.

11:20

I know that I've been accused by some members opposite of sounding like a broken record already, but once again in this bill we do find an awful lot of situations where legislation is being moved into regulations. I'm on record many times already as indicating the concerns I have for that and questioning whether or not it's really necessary or if it's simply a matter of convenience. It certainly causes me concern when we take things out of legislation and thereby, whether intentionally or not, limit public scrutiny and public debate. So that is one negative comment that I do have about this bill.

It does, however, appear to relieve some basic administrative burdens, and I think any time we can eliminate paperwork, especially for small business, that's something that I'm passionate about, having operated a small business for 25 years. So that's certainly something that I would be supportive of.

I'm just going to quickly rip through some of the questions regarding various sections. I would expect to dig into these with a little more voracity or in a little more depth once we get to the committee stage, but I can sort of run over them quickly now.

Section 2 talks about clarifying and defining terms. One significant change in section 2 is that a person who does not contribute to a pension plan for 52 weeks would not have that pension plan terminated. In particular, this reflects federal changes as far as maternity benefits, and I think that that's a good thing, of course.

In section 8 we strengthen the act by legislating that all pension plan documents have to be within the scope of the act, and if, in fact, there are documents that are not a part of the act, the superintendent has the authority to make them comply. Again, on the surface that

discriminating against female parents because we continue to have presumptions of paternity for male parents.

When the hon. member criticizes the guardianship provisions of section 20 for the same reason, she is forgetting that section 20 deals with natural parents only. Where a proposed guardian is not an actual parent, section 20 does not apply, whether that proposed parent is a member of a same-gender or a different-gender couple. A proposed guardian who is not an actual parent has to apply for guardianship or apply to adopt the child. This is not a matter of discrimination against same-gendered couples.

The hon. member says that some aspects of the law may have to change to recognize same-gendered couples if the federal government proceeds with its legislation. I believe that hon. members could disagree with her suggestion that sections 8 and 20 of the Family Law Act are sections that would be included in such a process of change.

I'd like to thank hon. members for their interest in the well-being of Alberta families and children as has been expressed in debate in committee and in the House. Although there were some disagreements over amendments, the discussion was always in the context of what was in the interests of the families and in the best interests of the children.

So with thanks to all members for their considerations I would urge the members of the Assembly to vote in favour of Bill 5.

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

Mr. Chase: Thank you very much. For the record I want to point out that the Family Law Amendment Act does not take into account the very vital role of grandparents. I am concerned that grandpar-

ents, particularly in somewhat estranged family relationships, are considered guilty until they prove themselves innocent when it comes to having access granted to be with their grandchildren. As a grandparent recently myself I feel that this Family Law Amendment Act should at least in future amendments consider the vital role of grandparents.

In the Speech from the Throne the notion of entire families being responsible for the raising of children was brought out, yet grandparents, while being stated as an important part of a child's rearing and growing, are ignored in this Family Law Amendment Act. For the record I would like it noted that grandparents deserve greater credit for their role, and they deserve greater access to their grandchildren. Quite often for whatever reason families that have become dysfunctional end up punishing grandparents and denying them their vital role in raising their grandchildren. To me the Family Law Amendment Act does not sufficiently address this concern, and hopefully in future revisions it will do so.

Thank you.

[Motion carried; Bill 5 read a third time]

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

Mr. Zwozdesky: Thank you, Mr. Speaker. Thank you to all members for the excellent progress tonight. With that having been said, I would move that the House now stand adjourned until 1:30 p.m. tomorrow.

[Motion carried; at 11:36 p.m. the Assembly adjourned to Tuesday at 1:30 p.m.]

