

## Legislative Assembly of Alberta

**Title: Monday, November 21, 2005**

**1:30 p.m.**

Date: 05/11/21

[The Speaker in the chair]

head:

### Prayers

**The Speaker:** Good afternoon. Welcome back.

Let us pray. At the beginning of this week we ask for renewed strength in the awareness of our duty and privilege as members of the Legislature. We ask for the protection of this Assembly and also the province we are elected to serve. Amen.

Hon. members, we'll be led today in the singing of our national anthem by Mr. Paul Lorieau, who's in the Speaker's gallery. I invite all members and all those in the galleries to participate in the language of your choice.

### Hon. Members:

O Canada, our home and native land!  
True patriot love in all thy sons command.  
With glowing hearts we see thee rise,  
The True North strong and free!  
From far and wide, O Canada,  
We stand on guard for thee.  
God keep our land glorious and free!  
O Canada, we stand on guard for thee.  
O Canada, we stand on guard for thee.

**The Speaker:** Please be seated.

head:

### Introduction of Visitors

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

**Mr. Mitzel:** Thank you, Mr. Speaker. It gives me great pleasure today to introduce to you and through you to all members of this Assembly Dr. Lorne Taylor, a former member of the Legislature. Lorne was first elected to the 23rd Legislature on June 15, 1993, and served in the 25th Legislature until his retirement on December 22, 2004. During that time he held various ministries. It surely appears that life as an MLA must have at that time taken its toll because now that he's again a private citizen, people are telling me that he looks better than ever. Would you please rise and receive the warm welcome of this Assembly.

head:

### Introduction of Guests

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

**Mrs. Forsyth:** Thank you, Mr. Speaker. It is my distinct pleasure to introduce to you and through you to all members of the Assembly six honoured guests from the Alberta Association for the Accreditation of Early Learning and Care Services. This organization administers Alberta's unique daycare and family day home accreditation program. A first of its kind in Canada, this program is helping to ensure that parents and children experience the highest standard of quality child care. My guests are seated in the gallery this afternoon. It's my honour to introduce the executive director, Sandra Beckman, and her team: Natasha Webber, Wendy Reid, Diane Langner, Tracy McFarlane, and Nadine Forsyth. That's no relation. Please stand and receive the traditional warm welcome of the Assembly.

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

**Mr. Renner:** Thank you, Mr. Speaker. It's my pleasure to introduce to you and through you to all Members of the Legislative Assembly two hard-working people from southeastern Alberta working on behalf of southern Albertans and the Palliser health region. I'd like to introduce the chair of the Palliser health region, Carol Secondiak, as well as the CEO, Mr. Tom Seaman. I'd ask that they rise and receive the traditional warm welcome of all the House.

**The Speaker:** The hon. Member for Whitecourt-Ste. Anne.

**Mr. VanderBurg:** Thank you, Mr. Speaker. It gives me great pleasure to introduce a good friend of mine from Onoway, Mr. George Jendyk. George is a former mayor of Onoway, a former educator, and now the president of ATA local 43. He's here to visit us. He had a great lunch with the Energy minister and me today. It gives me great pleasure to ask George to stand and be recognized by the Assembly.

**The Speaker:** The hon. Member for Stony Plain.

**Mr. Lindsay:** Thank you, Mr. Speaker. It's my honour and pleasure to introduce to you and through you to members of this Assembly a group of 19 visitors from the Tomahawk Silver Tops: leaders Mrs. Joyce Goerz and Mr. Wilfred Goerz, Mrs. Margaret Crowhurst, Mrs. Alma Schadeck, Mrs. Dora Millenbacher, Ms Greta Pryor, Mr. Frank Fowler, Mrs. Phyllis Fowler, Mr. Joseph Petrunia, Mrs. Evelyn Thompson, Mr. Ed Thompson, Mrs. Frances Gilbert, Mr. Edward Trautmann, Mr. Oscar Lemke, Mr. James Robb, Mrs. Gwen Petrunia, Mrs. Jacqueline Kuetbach, Mr. Reg Pearce, and Miss Marie Pearce. In our centennial year we have recognized those who have made significant contributions to our province. I would ask that the Tomahawk Silver Tops stand to be recognized and receive the traditional warm welcome of this Assembly.

**The Speaker:** The hon. Minister of Aboriginal Affairs and Northern Development.

**Ms Calahasen:** Thank you, Mr. Speaker. Today I have the great pleasure of introducing to you and through you to members of this Assembly some really interesting people who are always on the cusp of doing things. They're from the Bigstone Cree First Nation. They're seated in the public gallery, and I'd ask that they all stand and receive the warm welcome of this Assembly.

**The Speaker:** The hon. Member for Edmonton-McClung.

**Mr. Elsalhy:** Thank you, Mr. Speaker. It is my honour and pleasure to introduce to you and through you to all members of this Assembly an outstanding group of students from my own neighbourhood school, Lymburn elementary school, in Edmonton-McClung. Today we have 57 students, who are joined by their teachers, Mrs. Susan Galloway, Ms Jeanne Commance, and Ms Kim Olmstead, and parent Mr. Don Kolotyuk. They're seated in the public gallery, and I would ask them to rise and receive the traditional warm welcome of this Assembly.

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

**Mr. Tougas:** Thank you, Mr. Speaker. It's my pleasure to introduce to you and through you 27 bright and shining students from St. Justin Catholic elementary school in Edmonton-Meadowlark. They're participating in the School at the Legislature program, so they'll be with us all week. They're accompanied by Mrs. Doreen

Neuls, Mrs. Sharon Roy, and parent helper Mark Coates. Would they please rise and accept the warm welcome of the Legislature.

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

**Mr. Bonko:** Thank you, Mr. Speaker. It's a pleasure to rise today to give a proper introduction to the members of the Bigstone Cree nation. They're here talking about the forestry management agreement. There are Chief Francis Gladue, Albert Gladue, Marcel Gladue, Constant Auger, elder, as well as Russell Auger, Darrell Anderson Gerrits, and Gordon Gladue. If they would please rise and receive the warm welcome from the Assembly.

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

**Dr. Pannu:** Thank you very much, Mr. Speaker. It's my distinct pleasure to introduce to you and through you to the Assembly Barret Weber. Barret is a first-year master's student in the department of sociology at the University of Alberta, specializing in social theory. Barret was very active at his previous campus, Red Deer College, where he served on the board of governors for two years. He's seated in the public gallery. I would now request that Barret please rise and receive the warm welcome of the Assembly.

1:40

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

**Mr. Eggen:** Thank you, Mr. Speaker. It gives me great pleasure to introduce to you and through you to all members of the Legislature members of the Coralwood academy. They have 22 students here today along with teacher Mr. Colin Forde and parent helpers Mr. Gordon Dykstra and Mrs. Joan Hager. They're seated in the public gallery, and I'd like them to rise and receive the welcome of the Assembly.

**The Speaker:** The hon. Minister of Environment.

**Mr. Boutilier:** Thank you, Mr. Speaker. It's my pleasure today to introduce to you and to members of the Assembly Miss Andrée Morier, who is seated in the members' gallery. I'm pleased to announce that Andrée is currently finishing her degree at the University of Alberta. She is trilingual, in fact, being able to speak French and Spanish, which she learned down at the University of Colima in Mexico. She was also a student of my ministry's chief executive assistant, and despite his teaching, she has been able to do very, very well. I would like to ask her to stand and receive the warm welcome of the Assembly.

head:

### Oral Question Period

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

#### Securities Commission Chairman

**Dr. Taft:** Thank you, Mr. Speaker. The chairman of the Alberta Securities Commission was a partner in a major law firm that does extensive business with companies regulated by the commission. My questions are to the Minister of Finance. Can the minister assure this Assembly that the Securities Commission chairman no longer receives payments from the law firm he left to take this position?

**Mrs. McClellan:** Mr. Speaker, I can assure the hon. member that the chairman of the Alberta Securities Commission is under contract to

the Alberta Securities Commission. What arrangements were made with his law firm on the conclusion of his employment there are a matter that he should take up directly with the chairman.

**The Speaker:** The hon. leader.

**Dr. Taft:** Thank you, Mr. Speaker. To the same minister: would the minister agree that it is a conflict of interest for a chairman of the Alberta Securities Commission to accept payments from a law firm whose business depends on dealings with that commission?

**Mrs. McClellan:** Mr. Speaker, it is my understanding that when a person terminates employment with any employer, there is a determination of whatever funds are owing to that person. I think what the hon. member is questioning is a transaction that would occur between a member of a law firm and that law firm on how they pay out their employees. I think the question that is more appropriately asked and answered here is whether the chairman of the Alberta Securities Commission has severed all ties with that law firm on the basis of working for them, and I can tell him that, in fact, is the case.

**The Speaker:** The hon. leader.

**Dr. Taft:** Thank you, Mr. Speaker. To the same minister: as the minister responsible for the Alberta Securities Commission, does she not see it as part of her role to ensure that the new chairman is completely free of any ties to his former employer?

**Mrs. McClellan:** I think I just answered that, Mr. Speaker. The chairman has severed all ties with his previous law firm. How the final financial arrangements have been determined between the now chairman of the Alberta Securities Commission, who has no working ties with the law firm, and that law firm is private business. If the hon. Leader of the Official Opposition is wanting to know that, he should ask the chairman of the Securities Commission and/or the law firm. I am sure that the hon. member is not naive and that he does understand how law practices work and how payments of funds owing to members work. If he has something more that he'd like to put on the record inside this House or outside, I'd welcome him to do it.

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

**Dr. Taft:** Thank you, Mr. Speaker. To the same minister on the same issue: is she not concerned about the chairman of the Alberta Securities Commission's possible ongoing financial ties to a major law firm doing business with clients of the Securities Commission?

**Mrs. McClellan:** I am concerned with this hon. member's question because rather than coming out and asking a direct question, we're going around an issue. I think I've made it clear. The chairman of the Alberta Securities Commission has severed all working ties with the law firm, Mr. Speaker. He is under contract for a certain sum with the Alberta Securities Commission. If he wants to know the private business of that member and his law firm as to how his final salary or partnership arrangements are made, he should direct those to either the honourable chairman of the Securities Commission or the honourable law firm that he was employed with.

**The Speaker:** The hon. leader.

**Dr. Taft:** Thank you, Mr. Speaker. Well, given that in this particular position as chairman of the Securities Commission the chairman's private business is of public concern, my direct, clear question to the minister: is the chairman still receiving payments from the law firm with which he was employed?

**Mrs. McClellan:** Again, Mr. Speaker, he is asking me to comment on his private business. Now, you may wish to do that, and there is an avenue for you to do that. Pick up the phone, phone Mr. Rice, and ask him that question. What is my business is whether the chairman of the Securities Commission has severed all working ties with the law firm. The answer is yes. Is the chairman being paid under contract for the job he's doing with the Alberta Securities Commission? The answer is yes. As far as the disbursement of income, whether it's salary or partnership agreements, that is private business and is certainly not something that I believe I should be in any way involved in.

**The Speaker:** The hon. leader.

**Dr. Taft:** Again, thank you, Mr. Speaker. Given that the very public position as chairman of the Securities Commission makes that person's private business of public concern, will the minister ask the chairman of the Securities Commission if he is continuing to receive payments from his former employer?

**Mrs. McClellan:** Mr. Speaker, I've said that my responsibility, as the Alberta Securities Commission reports to me, is to ensure that the chairman of the Alberta Securities Commission has severed all working ties with his previous law firm. I hold again that the private business of completing the financial arrangements between that law firm and a partner in that law firm is their business. I invite the hon. member to do the right thing: pick up the phone, phone the chairman, and ask the question.

**The Speaker:** Third Official Opposition main question. The hon. Member for Edmonton-Mill Woods.

#### Children in Care

**Mrs. Mather:** Thank you, Mr. Speaker. In the spring the Minister of Children's Services announced that she was going to release all reviews conducted when a child who has had contact with Children's Services dies. Six months later the minister still hasn't released any of the information on Nina Courtepatte's death, how her case was handled by the ministry, or any recommendations made. My question is to the Minister of Children's Services. Given that the minister has had almost six months to put this incredibly important process into place, can the minister explain why the public is being forced to wait so long?

**Mrs. Forsyth:** Well, yes, Mr. Speaker, the minister can explain. The individual that the hon. member has mentioned – all of the proceedings are still before the court. We will not be posting anything about that particular individual until the court procedures are finished.

**The Speaker:** The hon. member.

**Mrs. Mather:** Thank you, Mr. Speaker. When it is possible, will the minister make this information public immediately and post these details on the Children's Services website?

**Mrs. Forsyth:** Yes, Mr. Speaker, I will. Once everything is done with that particular individual's court case, I will post it.

**The Speaker:** The hon. member.

**Mrs. Mather:** Thank you, Mr. Speaker. Will the minister support a recommendation that the Alberta children's advocate become an independent office with the power to conduct independent investigations and ensure that children receive the care and protection they deserve?

1:50

**Mrs. Forsyth:** Well, Mr. Speaker, the child advocate in this province is probably one of the biggest advocates in regard to children's issues. We have a wonderful working relationship with the child advocate. In fact, he's part and parcel of the special case reviews.

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

#### Securities Commission Investigation

**Mr. Mason:** Thank you very much, Mr. Speaker. The Alberta Securities Commission director of enforcement is the top cop policing the Alberta securities market. It's absolutely unbelievable that he's still in his job after the Auditor General found him in flagrant violation of the ASC's code of ethics by trading in shares in a company under investigation by the ASC and making a tidy profit in the process. The investigation was into an allegation of insider trading. To the Finance minister: has the minister done anything to cause an investigation as to whether or not the ASC's director of enforcement may have engaged in insider trading himself?

**Mrs. McClellan:** Mr. Speaker, again, this whole issue is well documented in the Auditor General's report on pages 6, 7, and possibly going on to 8. The Auditor General obviously learned of this through a review of files. There was nothing hidden in this. It does lay out the chronological set of events that happened. The Auditor General did recommend in recommendations 6 and 7 ways to improve the system to ensure that as much as possible this could not happen. In fact, the Securities Commission themselves changed how they handle conflicts of interest in May of 2005 after this happened.

They are continuing to review how they do this in view of the Auditor General's report because really what they dispensed with was similar to the recommendations the Auditor General has put in. What they put in they thought was a better way of ensuring that this can't happen. It is my understanding – and, in fact, I've asked the Alberta Securities Commission to make a statement on all of the chronological events and the actions that have been taken.

**The Speaker:** The hon. leader.

**Mr. Mason:** Thank you very much, Mr. Speaker. That was a very unrevealing answer.

Given that on the very same day the director of enforcement authorized the investigation into the insider trading allegation he bought stock in the company that was under investigation, will the minister tell us what information was contained in that file that may have led him to purchase those shares?

**Mrs. McClellan:** Well, I think the hon. member knows very well that I can't tell him what was in those files. That would be a breach of confidentiality of information that the Alberta Securities Commis-

sion holds on behalf of companies. What I can tell him is that I have asked the Alberta Securities Commission, because this continues to be a question, to lay out directly the chronological events, backed up by fact and documentation, and what steps have been taken prior to the Auditor General's report and since the Auditor General's report to ensure that this cannot happen, as much as possible to preclude it from happening again.

**Mr. Mason:** Mr. Speaker, given that the ASC's top securities cop made a significant financial gain on a short-term speculative investment he was supposedly investigating himself, why does the minister not do her job and admit that there may in fact have been a crime here and that no one else can investigate it unless she's prepared to do so?

**Mrs. McClellan:** Well, Mr. Speaker, the Auditor General had full access to all of the information. I think that had there been a question of a crime, he would have raised that. What he did say was that it was important that the processes at the Alberta Securities Commission be tightened up to ensure that this cannot happen.

I asked the hon. member to review the statement of the times, dates of activities that occurred there and, perhaps, come back. I'd be happy to discuss it with him further after he reviews that.

**The Speaker:** The hon. Member for Cardston-Taber-Warner, followed by the hon. Member for Calgary-Shaw. [applause]

**Mr. Hinman:** Thank you. Thank you very much. Thank you. That was very kind.

#### Constitutional Referendums

**Mr. Hinman:** Mr. Speaker, in the free world the role of government is to protect rights and freedoms, not grant rights and benefits. In Canada our rights are protected by our Constitution and our Charter of Rights and Freedoms. However, after 20-plus years we see that the Charter has not been respected, and its weaknesses are being exploited. My question is directed to the Deputy Premier. Has this government considered putting a resolution for an amendment to the Canadian Constitution before Albertans by way of a referendum?

**Mrs. McClellan:** Mr. Speaker, I will take that question under advisement for the Minister of International and Intergovernmental Relations and have him respond at the earliest possible moment.

**The Speaker:** The hon. member.

**Mr. Hinman:** Thank you. I guess I'll try again to the Deputy Premier. Would 50,000 names on a petition for a resolution for a referendum to enshrine property rights in the Canadian Constitution be enough reason to use the Constitutional Referendum Act during the next federal election?

**Mrs. McClellan:** Again, Mr. Speaker, our Minister of International and Intergovernmental Relations I'm sure would be pleased to give a full discussion on this item, and we will take it to him and ask him to respond appropriately.

**Mr. Hinman:** I guess, for the third time, Mr. Speaker, to the Deputy Premier: instead of misleading Albertans into believing that there is nothing they can do, will this government allow Albertans to vote on a resolution for an amendment to the Canadian Constitution to enshrine the Alberta definition of marriage in conjunction with the next federal election?

**Mrs. McClellan:** Mr. Speaker, again, I'll take his question under advisement. I'll take it seriously, give it serious consideration, and give him a response at a future date.

**The Speaker:** The hon. Member for Calgary-Shaw, followed by the hon. Member for St. Albert.

#### Centennial Gifts to Canadians

**Mrs. Ady:** Thank you, Mr. Speaker. While in Ottawa this week the Premier announced a new nation-wide postsecondary scholarship program totally funded by the Alberta government. This program is intended as a centennial gift from Alberta to all Canadians. My question is to the Minister of Advanced Education. As the minister responsible for implementing the program, can you tell us when it will be up and running and what Alberta is hoping to accomplish with this national scholarship program?

**The Speaker:** The hon. minister.

**Mr. Hancock:** Thank you, Mr. Speaker. The concept is to have the first set of scholarships in time for the start of the next academic year in 2006.

In terms of the concept, Mr. Speaker, Alberta has always been a proud member of Confederation, and we've always appreciated the way the rest of Canada has responded – for example, the severe drought conditions and the need for hay, when we needed people to rally around in the beef crisis.

In our centennial year it was felt appropriate to make an indication to the country, a gift to the country, if you will, which indicates how important we think it is to celebrate our centennial and to include the rest of Canada in that celebration. So the Premier made the announcement today, I believe, of the \$20 million endowment to the Alberta heritage scholarship fund, which will allow for 25 scholarships for each provincial and territorial jurisdiction in the amount of \$2,005, hopefully in perpetuity.

**Mrs. Ady:** Mr. Speaker, my second question is to the same minister. A centennial gift to Canadian students as a thank you may be a generous offer, but why not establish a centennial scholarship program for Albertans instead?

**Mr. Hancock:** Well, Mr. Speaker, in fact, we have done that. This year under Bill 1 we made a commitment as a government – and this Legislature passed Bill 1 ensuring that commitment – to add a billion dollars to the Alberta heritage scholarship fund so that we can enhance scholarships to Albertans.

In fact, Mr. Speaker, Alberta funds more scholarships than any other province on a per capita basis. This year we'll spend \$48 million more on 50 provincially funded scholarship programs. We have the Rutherford scholarships with a maximum of \$2,500 a year and 9,000 recipients this year; the Jason Lang scholarships with a thousand dollars each, 15,000 recipients this year; the Louise McKinney scholarships with \$2,500 each, 950 this year.

So this scholarship program is a small but enduring way of celebrating the province's centennial with the rest of the country and involving the rest of the country in our celebration on an enduring basis.

2:00

**Mrs. Ady:** My final question is to the Minister of Community Development. Can the minister please outline for this Assembly the nature of the Alberta artwork that the Premier also announced today

as a gift to Canadians during his visit to the National Gallery? [interjections]

**The Speaker:** The minister has the floor.

**Mr. Mar:** Mr. Speaker, while in Ottawa earlier this morning our Premier visited the National Gallery of Canada, and he unveiled a painting by an Alberta aboriginal artist named Joane Cardinal-Schubert. Ms Cardinal-Schubert has art that has been displayed both privately and at public galleries and is part of collections around the world. This gift is intended to be a symbol of Alberta's proud history and the heritage of its aboriginal peoples. The National Gallery already has a number of her works of art. Her works of art also appear in galleries in places like Regina, Michigan, Prague, and Vancouver.

Mr. Speaker, this work is, in part, a way of saying thank you to Canadians for their support of Alberta during tough times. It is very much a way for Albertans to express their feelings for being part of Confederation for the last 100 years.

**The Speaker:** The hon. Member for St. Albert, followed by the hon. Member for Calgary-East.

#### School Infrastructure Funding

**Mr. Flaherty:** Thank you, Mr. Speaker. The question on the minds of 1.2 million parents is: where will their kids go to school? The problems are diverse, but the solution is simple: create a plan with stable, predictable, and sufficient capital funding so school boards can implement their capital plans and maintain existing schools across the province. To the Minister of Education: how long will the 330 students in mouldy 25-year-old portables at Alexander Forbes elementary in Grande Prairie have to wait for an expansion of their school?

**The Speaker:** The hon. minister.

**Mr. Zwozdesky:** Thank you, Mr. Speaker. I was in Grande Prairie just a few weeks ago, and I did meet with the chair of the parent council there, as I did also with the boards from that area. The issue of Alexander Forbes school did come up. We had a very good discussion on it, and I did undertake to pursue fixing what some of those needs are. As soon as I am able to, I will be commenting further.

I should add, Mr. Speaker, that we've just put I think around the \$20 million mark worth of funding into new schools and related matters for school infrastructure in that area. I'd love to read them all to you right now if you wish, but perhaps to save time, I'll just refer people to the website.

**The Speaker:** The hon. member.

**Mr. Flaherty:** Thank you, Mr. Speaker. Given that the Calgary public schools received too little of the unbudgeted spending on this province's students, are these the sorts of mistakes we can expect with hurried, unbudgeted spending?

**Mr. Zwozdesky:** Mr. Speaker, I think Albertans across the province are pretty grateful that this government was able to provide \$207 million for infrastructure needs. I haven't heard any complaints about the fact that we provided \$207 million as part of phase 1 funding from unanticipated surplus dollars. However, I have given an undertaking to the 62 school boards, as I met one-on-one with

them for the second time this year, that in the foreseeable future I hope to discuss with them again and with my colleagues the need for some additional funding that would possibly comprise phase 2 out of unanticipated dollars, should some come available, and also to look at longer range planning objectives within the more stable funding envelope, which is coming our way through Alberta Infrastructure.

**The Speaker:** The hon. member.

**Mr. Flaherty:** Thank you, Mr. Speaker. Will this minister set up fair and equitable criteria to prioritize capital school projects across the province?

**Mr. Zwozdesky:** Mr. Speaker, we have had the so-called utilization formula, which I think most members here are familiar with. At the time that the utilization rate formula was used to determine various infrastructure needs, it seemed to suffice. However, as our province has evolved and as infrastructure projects for schools have evolved, we revisited that formula. So the Minister of Infrastructure and Transportation did bring in a funding formula more on a per-pupil basis, one that I supported. Most of the school boards out there who have already tasted that new formula like it, but we do recognize that funding strictly on a per-pupil basis may not be the total answer. So Alberta Education is now reviewing that, and through our Renewed Funding Framework Ministerial Advisory Committee, that I just appointed, we will indeed be doing more detailed work in that regard.

**The Speaker:** The hon. Member for Calgary-East, followed by the hon. Member for Edmonton-Decore.

#### Nutrition Programs for Schools

**Mr. Amery:** Thank you, Mr. Speaker. Societies are judged by how well they look after and treat their poor, vulnerable, and the underprivileged. Surveys have shown repeatedly that 1 in 10 Calgary school kids goes to school without breakfast in a province as wealthy as ours. It took the efforts of a group of Calgary judges and lawyers to collect \$15,000 and donate it to a northeast Calgary school so the school can provide breakfast for their children. My question is to the hon. Minister of Education. Is the minister aware of this situation, and what is he doing to rectify it?

**Mr. Zwozdesky:** Well, Mr. Speaker, the responsibility for feeding children, sheltering them, clothing them, and otherwise rearing them first and foremost lies with the parents or legal guardians. We must never lose sight of that. However, I am aware that it's not a perfect world and that there are a few circumstances, perhaps several circumstances, where some of the children do need some additional nourishment or perhaps nourishment, period, to start their day or to continue it. We have a number of community agencies who partner with the school boards in that respect.

Those parents who are in those unfortunate circumstances of perhaps needing help to feed, nurture, and clothe their children could certainly turn to some of the community agencies for help or perhaps to one of several social programs that exist in the Department of Human Resources and Employment. Perhaps they could talk with Children's Services and try and find some of the help that they need.

Let me just conclude, Mr. Speaker, by saying that our school boards have shown some tremendous leadership in this area, and a number of them are providing hot lunch programs or breakfast programs as we speak.

**The Speaker:** The hon. member.

**Mr. Amery:** Thank you, Mr. Speaker. Since the cost of a breakfast program works out to about \$12,000 per year, would the minister commit to a review of this program and provide the money immediately to all needy schools in the province so kids can feel the Alberta advantage? [interjections]

**Mr. Zwozdesky:** Well, it is a good question and a tough question too. I should indicate, Mr. Speaker, that I did hear from a few school boards about some of the nutrition programs that they are providing when I met with them just over the past few weeks. I know that the school boards are in town this week, and that's a good question for them to address as well.

That having been said, I am aware also that through Alberta's Promise, for example, there is a website that talks about the breakfast program. I just forget the exact title of it, but I will provide it to the hon. member, perhaps at the end of the day, because there is good information on that website where community agencies, perhaps other eligible applicants can apply for some assistance if they are eligible to do so.

**The Speaker:** The hon. member.

**Mr. Amery:** Thank you, Mr. Speaker. [interjections] Geez, I must be doing something wrong; the Liberals are happy.

Mr. Speaker, would the minister commit at least for now to matching the money raised by private donors?

**Mr. Zwozdesky:** I'm sorry. I think I got the question: something about matching the funding. Is that what it was, hon. member? There was so much cheering and clapping from all sides of the House for your question that it was distracting.

You might say, Mr. Speaker, that in a way we are already matching some of the programs because we as Alberta Education, with monies provided by the government, provide funds to school boards. School boards in turn provide their monies to the individual schools. The schools, therefore, are recipients already of considerable provincial dollars, about \$4.5 billion in this year alone. Within that envelope I would think that they probably are using some of our funds already to do some of that matching or perhaps to do some creative leadership projects in the nutrition area on their own.

They also work with some community agencies, where they are available, and perhaps even with some private funders, and I want say thank you to those agencies and thank you to those private citizens who have stepped up to become partners with our schools throughout the province to address this socioeconomic issue.

## 2:10 Natural Resources Conservation Board

**Mr. Bonko:** Mr. Speaker, a closed-door review of the Natural Resources Conservation Board stated that the board's actions were not impartial, not transparent, and not fair. Amazing, considering the board describes itself as providing balanced decision-making in the public interest. To the Minister of Sustainable Resource Development: how will this minister restore faith in an organization that is – and I quote from the report – undermined by a sense of fear and paranoia?

**Mr. Coutts:** Mr. Speaker, the Natural Resources Conservation Board came into being in this province in the late 1980s as an initiative of the then Minister of Environment and now our Premier, the Hon. Ralph Klein.

**The Speaker:** We don't do that, hon. member.

**Mr. Coutts:** I apologize, Mr. Speaker.

That particular board has served the public interest successfully and very, very well on major developments across this province for over 14 years, and it will continue to do that. If the question from the hon. member is about a process that was put in place regarding governance of the board, yes, there was a review regarding governance. It had nothing to do with legislative changes to the board because the board has done everything it possibly can do to make sure that it looks after the public interest, which is the original intention that it was set up to do.

**Mr. Bonko:** Given that the report criticizes a lack of staffing and training in legislation, will the minister commit to adding more field staff and more professional development?

**Mr. Coutts:** Well, Mr. Speaker, the hon. member brings up a very good point. What we've done with the Natural Resources Conservation Board as it pertains to AOPA legislation and the application processes and how those applications can be adhered to within the legislation of AOPA is set up a chief operating officer. That chief operating officer will take a look at the process and decide exactly the appropriate levels of staffing that need to be done. That's their responsibility in the operations: to make sure that they're effective not only for the industry but also to make sure that we continue to protect the public interest.

**Mr. Bonko:** Third question, Mr. Speaker. Given that the report expresses serious flaws in the decision-making process, will the minister commit to reviewing past decisions to ensure that all affected parties were treated fairly?

**Mr. Coutts:** Well, Mr. Speaker, the interim board chair and the interim chief operating officer have the governance report that was put out there. They will continue to look at the recommendations within that report, and they themselves will try to implement those recommendations as it pertains to the respective duties of not only the board and its responsibilities but also the chief operating officer and the responsibilities as it pertains to confined feeding operations. I've given them 60 days to do that and bring a report back to me. They're the ones that will make the recommendations. They're also the ones that will make sure that the operations continue, make sure that they're there for the interests of Albertans as well as the industry.

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

## Highway 43

**Mr. VanderBurg:** Well, thank you, Mr. Speaker. Highway 43 runs through Whitecourt-St. Anne and is increasingly becoming a very major transportation route to the north. Progress is being made on the twinning of this route, but some sections remain untouched, and some sections remain in dire need of some repairs. My questions are to the Minister of Infrastructure and Transportation. When will my constituents and all Albertans see more progress on this project?

**The Speaker:** The hon. minister.

**Dr. Oberg:** Thank you very much, Mr. Speaker. This year we had a very good year on highway 43 in that we finished twinning

approximately 50 kilometres of that road. This leaves about 52 kilometres yet to be finished on highway 43 of the total of 432 kilometres. We are scheduled to finish the rest of the 52 kilometres by the fall of 2007. We've had some issues with weather this year. We have also had some issues on obtaining the land. We feel that these have now been figured out and worked out, and we fully anticipate it to be the fall of 2007 at the latest. I would certainly like to accelerate that though.

**Mr. VanderBurg:** Again to the same minister, and I thank him for that answer: with around 10 per cent of this project left, why does it take two construction years to do it? Why not just do it next year?

**Dr. Oberg:** Well, Mr. Speaker, I would love to do it this year. It comes down to a budgeting process. It also comes down to having the land available. We have not yet fully got the land available although we are certainly anticipating that that negotiation will be done very, very soon. If it does get done, if I do get the money, I can assure the hon. member that this is a definite priority on my department's list and that we'll be done sooner as opposed to later. Thank you.

**The Speaker:** The hon. Member for Edmonton-Beverly-Clareview, followed by the hon. Member for Calgary-Mountain View.

#### Social Housing Corporation Land Sales

**Mr. Martin:** Thank you, Mr. Speaker. In his October 2005 report the Auditor General found that the Alberta Social Housing Corporation was involved in a series of sweetheart land deals in the Fort McMurray area. The two biggest land giveaways involved a local developer who is a friend of the PC government. Land was sold below appraised value, sales were untendered, there were sweetheart financing arrangements, and the prime real estate was literally given away. My question is to the minister of seniors. Has the minister found out why these sweetheart deals occurred not only once but twice at the expense of provincial taxpayers and homeowners in Fort McMurray?

**The Speaker:** The hon. Minister of Seniors and Community Supports.

**Mrs. Fritz:** Thank you, Mr. Speaker. As the minister responsible for the Alberta Social Housing Corporation I'm fully aware of the actions of the corporation in 1999, six years ago, that the member opposite is referring to. As the member said to you, this report of the Auditor General was a full report. I support the findings. I support the recommendations of that report.

Mr. Speaker, I can tell you and I can tell members of this Assembly and members of the opposition that this issue will not happen again under this ministry. In fact, the land that we have put on the market recently through the Alberta Social Housing Corporation has been placed on the market with a very open process through requests for proposals. It is open. It's transparent. It's accessible. I can tell you this: it is working, and we are going to meet the needs and the mandate not only of the Alberta Social Housing Corporation but, more importantly, of the people living in Fort McMurray. [interjections]

**Mr. Martin:** The members can pound all they like, but these Fort McMurray land deals make the federal Liberals look clean, Mr. Speaker.

My question to the minister is: why is no one being held account-

able for millions of dollars of public dollars being given away, taxpayers being hosed, and the people in Fort McMurray being hosed? Why is no one accountable?

**Mrs. Fritz:** Mr. Speaker, I go back to that the Auditor has investigated this fully. He has reported. I support the findings of the Auditor's investigation, and I would expect that the opposition do as well. Also, we are moving forward. We're moving forward with a process through the Alberta Social Housing Corporation so that it is accountable, it's transparent, it's open, and it is working.

**Mr. Martin:** Well, Mr. Speaker, my question is then to the Deputy Premier. Given that the Premier recently was yammering that an Adscam couldn't happen in Alberta, why is this government doing nothing about finding out why and how these sweetheart deals occurred?

2:20

**Mrs. McClellan:** Mr. Speaker, I have to reiterate what the hon. Minister of Seniors and Community Supports has stated. The Auditor General had full and unfettered access to all of the information. He has reported in detail. In fact, in his detailed reporting he does give some clarity to why transactions were made as they were in that time period. The very important thing that the hon. minister said is that we fully supported the Auditor General's review, we fully support his report, and we fully intend to implement all of his recommendations and put a process in place that he is recommending that will reduce the opportunity for questions on clarity and transparency.

**The Speaker:** The hon. Member for Calgary-Mountain View, followed by the hon. Member for Peace River.

#### Sour Gas Leak

**Dr. Swann:** Thank you, Mr. Speaker. On July 2, 2005, a critical sour gas leak occurred approximately five kilometres outside of Innisfail, Alberta. Nineteen per cent sour gas was released into the atmosphere for approximately 45 minutes, spreading to the nearby communities. Luckily nobody was seriously injured or killed in the incident; however, serious questions remain. My question is for the Minister of Energy. Can the minister confirm or deny if the licensed well operator failed to report the critical sour gas leak to the EUB?

**Mr. Melchin:** Mr. Speaker, I'd like to first state that in this instance the public was never in danger of any harm to anyone. He stated a certain percentage, but for it to be critical in that stage, it also has to be measured by the rate of release, in this case very low. So even in the reporting I want to assure all Albertans that there was never any risk at this stage of anybody being harmed.

**Dr. Swann:** Again to the minister since he didn't answer the question: was the EUB only aware of the leak as a result of residents' complaints?

**Mr. Melchin:** Mr. Speaker, as in anything like this matter sometimes investigations come from a variety of sources. I'm not specifically aware of where the original source was. I'd be happy to report that back when I get the information from the EUB.

**Dr. Swann:** Again to the same minister: what message does this lack of accountability send to residents of southeast Calgary, living in the shadow of Compton's proposed sour gas well?

**Mr. Melchin:** Mr. Speaker, once again put out of context. The public was not at any time under any risk of injury at this stage. The Energy and Utilities Board has investigated this incident. Companies are responsible to a very high standard of regulation. They are not left without standards. They are not left without a requirement to report, and they do. The energy industry supports that, and we certainly support a strong regulator, the Energy and Utilities Board, being able to fulfill that mandate.

**The Speaker:** The hon. Member for Peace River, followed by the hon. Member for Edmonton-Ellerslie.

#### Mountain Pine Beetle Control

**Mr. Oberle:** Thank you, Mr. Speaker. The mountain pine beetle continues its onslaught in British Columbia, where more than 7 million hectares of pine forest have been lost, about an eighth of the productive forest land base. The impact of this epidemic will have far-reaching implications and could spell the end of many forest-dependent communities in British Columbia. My first question is for the Minister of Sustainable Resource Development. Can the minister inform this House as to the current extent of the beetle in Alberta given that another breeding season has passed?

**The Speaker:** The hon. minister.

**Mr. Coutts:** Yes, Mr. Speaker. We know that the situation in British Columbia is very, very serious, and of course we keep a very close eye on the beetle as it moves east. It continues to move eastward through mountain passes, particularly where there's mature pine forest. We're taking a very proactive approach to making sure that we stop the pine beetle as best we can at the British Columbia border. We continue to use aerial and ground surveys and work with our industry partners to identify trees that may be infected on the eastern slopes of the Rocky Mountains. In fact, this summer we found individual trees and a huge infestation in the Willmore wilderness area. It's probably the biggest infestation that we have found on the Alberta side at this point in time, but we're taking a very proactive approach in trying to deal with that.

**The Speaker:** The hon. member.

**Mr. Oberle:** Thank you, Mr. Speaker. Again for the same minister: could the minister share with us what specific control actions were taken in Alberta this past summer?

**Mr. Coutts:** Well, certainly, Mr. Speaker. We're working very closely with our Community Development partners in determining how we can best combat the beetle in the Willmore wilderness area. We've so far cut and burned 5,000 trees in that particular area. If you flew over the area, you would not be able to see any trace. What we're trying to do is minimize the impact on the land. We know that it's a sensitive area. We understand the need to minimize that impact and keep the area a park. We have cut individual trees, but we're preparing to do a prescribed burn in other areas that have been infested, and that's in the Meadowland Creek area. We find that that area is a natural highway for the beetles as they travel eastward into Alberta.

I'd like to point out, Mr. Speaker, that we are fortunate in dealing at this point in time with individual trees and not the millions of hectares that they're having to deal with in British Columbia. Because of these actions we're definitely making sure that we're taking this proactive approach in dealing with the pine beetle in Alberta.

**The Speaker:** The hon. member.

**Mr. Oberle:** Thank you, Mr. Speaker. Final supplemental to the same minister: can the minister inform us if the government has any contingency plans in the event that these single-tree actions or very localized actions are ineffective in stopping the beetle in Alberta?

**The Speaker:** The hon. minister.

**Mr. Coutts:** Yes, Mr. Speaker, it's important that the effort of Parks Canada, the effort of Community Development, the effort of the government of Canada and certainly of the industry that is in Alberta here works together to combat what Mother Nature may bring forward to us in the future. If there is a huge infestation, if we have a mild winter, we know that the beetle is going to make some headway here in Alberta, so what we've done is that we've also looked at having extensive discussions with our industry to look at approved harvesting sequences on mature forests in case the pine beetle targets those particular areas.

We've fought this beetle before, and through all of the partnerships that we're putting together and being proactive, we will beat this beetle again.

**The Speaker:** The hon. Member for Edmonton-Ellerslie, followed by the hon. Member for Leduc-Beaumont-Devon.

#### Applewood Park Community Association

**Mr. Agnihotri:** Thank you, Mr. Speaker. The Wild Rose Foundation is an important organization, and we must protect its integrity. An Auditor General's report has led to the Minister of Community Development demanding that the Applewood Park Community Association repay its \$20,000 grant to Alberta taxpayers. However, the Applewood Park Community Association is now refusing to pay back. The 30-day government deadline is gone. My question is to the Minister of Community Development. What is the minister going to do now?

**Mr. Mar:** Mr. Speaker, first of all, I agree with the hon. member when he says that it should be our goal to be accountable with the money to protect the integrity of the Wild Rose Foundation but also, specifically, the international development fund that Applewood accessed in obtaining the monies in question here. It is unfortunate that the accountability of one grant has suspended the program and put in question much of the good work that this program is doing. I should note by way of background that for every dollar of foundation funding Albertans themselves donated \$14 to foundation-supported projects in developing countries, which means that while we place a great deal of interest in this area as a government, Albertans themselves also support these same projects.

Now, to bring the member up to date on what's happened most recently, the Applewood community association requested a meeting with the Wild Rose Foundation. That meeting took place within the last couple of weeks, Mr. Speaker. There was new information that was provided by Applewood at that time, and they are intending to forward documents to us, I'm advised, that will arrive some time this week that need to be reviewed with respect to their belief that they've demonstrated that the money that they requested was in fact spent in the areas that they made the application for the grant for.

2:30

**The Speaker:** The hon. member.



**Mr. Agnihotri:** Thank you, Mr. Speaker. My question is to the same minister. Given that the Auditor General's report found that Applewood transferred Wild Rose funds to another organization removed from the corporate registry, how can the minister assure this House that other organizations are not breaking similar rules?

**Mr. Mar:** Mr. Speaker, we have taken into account the Auditor General's recommendations. We will follow them to the letter. It is our intention to ensure, most of all, that the money that was applied for by Applewood has in fact been spent in accordance with the grant that was applied for. That is our endgame with respect to this.

With respect to moving the money through an organization that may have been struck from the registry, we'll continue to look into this matter. Again, Mr. Speaker, the endgame is to ensure that the integrity of the program is maintained by ensuring that the money was in fact spent for what was applied for.

**Mr. Agnihotri:** To the same minister: has the minister looked at other government caucus MLA-assisted grants to see if they were accurate and in compliance with the Wild Rose Foundation guidelines?

**Mr. Mar:** In fact, Mr. Speaker, we did ask the Auditor General to look at other grants. From his review of the same we found that they have been in compliance with the rules as established.

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

[Unanimous consent granted]

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

**The Speaker:** The hon. Member for Whitecourt-Ste Anne.

**Mr. VanderBurg:** Thank you, Mr. Speaker. It gives me great pleasure to introduce to you and through you constituents that travelled on highway 43 to get here to Edmonton to visit us. We have with us 78 visitors from St. Joseph Catholic school. I'd ask them to please rise and receive the warm welcome of this Assembly.

#### Vignettes from Alberta's History

**The Speaker:** Hon. members, by way of a historical vignette for the day on this day in 1932 Aspen Beach, located on the shores of Gull Lake, west of Lacombe, was designated Alberta's first provincial park. Today we have nearly 500 sites covering roughly 27,500 square kilometres.

head: **Members' Statements**

**The Speaker:** The hon. Member for Olds-Didsbury-Three Hills.

#### The Speaker's 26th Anniversary As an MLA

**Mr. Marz:** Thank you, Mr. Speaker. I rise today to recognize an important anniversary for someone who has made a great contribution to the people of Alberta. For his entire life he has diligently worked to make Alberta a better place. Dedicated to his community he has consistently promoted volunteerism and has been a passionate advocate for francophone Albertans. From his early beginnings as a schoolteacher to his current position within the Legislative

Assembly of Alberta he has never faltered in his commitment to others.

Today this special individual is celebrating 26 years as an MLA. It was 26 years ago today that this member was first elected in a by-election. During the past 26 years the hon. member has served the people of Barrhead-Morinville-Westlock admirably. He has served under the leadership of three Premiers and has kept order and decorum in this House since first being elected Speaker in 1997.

Mr. Speaker, on behalf of all your colleagues it gives me great pleasure to rise today and congratulate you on 26 years of outstanding service as a member of this Assembly. [standing ovation]

**The Speaker:** That's very, very kind and very, very much appreciated. In fact, I got up this morning and I hadn't recognized or realized it myself, but 26 years goes flash, flash, flash. Somebody said to me the other day: you know, there's nothing wrong with having anniversaries or birthdays because that means you're just living that much longer. So 26 is good. Thank you very, very much.

#### Order of Canada Awards

**Mrs. Jablonski:** Mr. Speaker, it's my great pleasure to rise in this House and acknowledge six outstanding Albertans whose accomplishments have earned them this country's highest civilian recognition: investiture into the Order of Canada. The achievements of these Albertans have promoted medicinal treatment and understanding, instilled Olympic pride, set an example of quiet philanthropy, developed our energy industry, and championed human rights.

On behalf of my constituents and colleagues I am pleased to congratulate one of Canada's most distinguished medical physicists and one of the founders of the Canadian College of Physicists in Medicine, Dr. John Robert Cunningham of Camrose.

Congratulations to the fastest woman on ice, Ms Catriona Le May Doan of Calgary, winner of double Olympic gold.

Congratulations to entrepreneur, philanthropist, and founder of the Calgary International Organ Competition and Festival, Mr. Ronald Neil Mannix.

We congratulate cardiologist and researcher, former dean of medicine and professor emeritus at the University of Calgary and member of the Premier's Advisory Council on Health, Dr. Eldon Raymond Smith.

We congratulate the former president, director, and COO of Petro-Canada, president of Stanford Engineering, and long-time philanthropist, Mr. James M. Stanford of Calgary.

We also extend congratulations to a founding member of the Alberta Human Rights Commission and founding president of the Institute for the Advancement of Aboriginal Women, Ms Muriel Stanley Venne of Edmonton.

Mr. Speaker, these Albertans have set an example of achievement and commitment to their communities, to their province, and to their country. Please join me in congratulating these six outstanding citizens of Alberta and Canada.

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

#### Edmonton Eskimos

**Mr. Lukaszuk:** Thank you, Mr. Speaker. I'm rising to introduce a new bill, the get Calgary a new football team amendment act. Sorry, wrong notes. Wrong notes.

Mr. Speaker, I'm rising today to say that the Edmonton Eskimos went to British Columbia last week to take on the B.C. Lions in the western final.

**An Hon. Member:** Go Eskies.

**Mr. Lukaszuk:** That's right.

To the satisfaction of their fans here in Edmonton they beat the Lions in their hometown in what was an exciting football game that ended in a score of 28 to 23. Mr. Speaker, I would like to congratulate the Edmonton Eskimos, their coaches, and all members of their organization for their victory against B.C. this week and for a victory against Calgary the week before.

The residents of British Columbia were forced to watch their team's season come to an end. Now they will have to watch the Edmonton Eskimos and the Montreal Alouettes battle for Canada's oldest professional sports trophy in their city next week.

Thank you, Mr. Speaker.

**The Speaker:** The hon. Member for Calgary-North Hill.

**Dr. Brown:** It's Calgary-Nose Hill, Mr. Speaker.

#### University of Calgary Centennial Projects

**Dr. Brown:** Can you remember, Mr. Speaker, that one special teacher who influenced your life and perhaps your child's life in a memorable way? This is the question that was asked of Albertans earlier this year, and the result culminated in a centennial project entitled *My Most Memorable Teacher: 100 Stories Celebrating 100 Years of Alberta Teaching Excellence*. It was published by the University of Calgary's Faculty of Education with the assistance of Alberta Education.

The book, which was launched in Calgary yesterday, provides stories about special teachers who have made a difference in the lives of Alberta students.

Throughout our history of Alberta we've had thousands of outstanding teachers who have guided and inspired students in our classrooms and beyond. From the old one-room classrooms on the prairies to the wired urban schools of today teaching has evolved and classrooms have gone high tech, but the caring teacher remains at the head of every classroom.

I'd like to acknowledge the hon. Peter Lougheed, our former Premier, who served as honorary chair of the centennial book project and provided inspirational leadership to the members of the project team from the Faculty of Education at the University of Calgary, including Dr. Annette LaGrange, dean; Jennifer Diakiw; Maureen Washington; and Robert Stamp.

During our centennial year we are also celebrating 100 years of teaching at the University of Calgary. Heritage Hall at SAIT Polytechnic is the former home of the Calgary Normal School, the first teacher-training institution in Alberta, which later became the Faculty of Education. One hundred years ago it began educating teachers who would go on to prepare young Albertans to reach their full potential and to become leaders of tomorrow. Last year the University of Calgary granted 766 education degrees, including 224 graduate degrees. Today the students of Alberta benefit from one of the best education systems in the world, and they're fortunate to have outstanding teachers preparing them.

2:40

**The Speaker:** For the benefit of the *Hansard* people that was the hon. Member for Calgary-Nose Hill rather than the hon. Member for Calgary-North Hill.

The hon. Member for Edmonton-McClung.

#### MLA Invitations to Public Events

**Mr. Elsalhy:** Thank you, Mr. Speaker. On November 8 the Anthony Henday Drive crossed over the North Saskatchewan River

linking the constituencies of Edmonton-McClung and Edmonton-Whitemud. A six-kilometre section of Edmonton's southwest ring road connected Lessard Road and Terwillegar Drive. In preparing for that ceremony, the Ministry of Infrastructure and Transportation and/or the Public Affairs Bureau made sure that they invited the minister, the MLA for Edmonton-Whitemud, Edmonton's mayor, and the hon. Member for Leduc-Beaumont-Devon, who happens to be the head of the capital region government caucus.

I am disappointed that those same people for some reason chose not to extend the same invitation to the MLA for Edmonton-McClung. Let me tell you, Mr. Speaker, in so doing, the government has sunk to a new low. For them it is only a hollow public relations stunt, a photo op. For me it really meant being prevented from performing one of my constituency duties, one which I take very seriously.

There appears to be an orchestrated effort to exclude opposition members from certain events, and this has grown steadily worse since last fall's provincial election. Those who took that decision did not just exclude an opposition MLA; they spurned the constituents of Edmonton-McClung, who should have been represented at that ceremony.

What they have done is pathetic, pitiful, and preposterous. How's that for a P3? Had I been invited, I would have conveyed my constituents' pleasure with this positive development. It would have allowed me the opportunity to report to my constituents on the progress of this project in a newsletter that goes out to 16,000 homes in Edmonton's southwest. But, alas, this government continues to insult people's intelligence. The public understands this and will remember it.

So to the government. Last year I was elected the MLA for Edmonton-McClung, and you have to accept and respect the people's decision. Also remember that 21 opposition members received between them 15,000 more votes than all 62 of you combined. Listen to what the people told you. Get the message.

Thank you.

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

#### Gaming As a Source of Revenue

**Mr. Chase:** Thank you very much, Mr. Speaker. This government's concept of promoting diversification is to allow an unlimited number of casinos to be built. The Alberta government has spent over \$100 million on sprucing up VLTs. It is a sad commentary that the group most addicted to gambling is the provincial government itself. What is equally deplorable is how the government has created a dependency on its casino and slot revenues by underfunding a whole host of programs, from arts to recreation to education. Due to the lack of funding for basic educational essentials school councils have been forced to hold their noses and ethical concerns and apply every 18 months for a casino licence.

This is a win-win situation for the government, which continues to underfund education and is the recipient of an endless stream of frequently coerced volunteers who donate their time to increase the government's gambling greed profits. I say coerced because when a child's education or participation in a recreational activity is dependent upon the thickness of his or her parents' wallet or the required sign-up for a casino shift, a tremendous amount of pressure is placed upon parents to volunteer their time for fear that their child will not be able to participate.

One of my constituents, who with her husband had participated in 45 casinos and bingos over the past five years, including schools, sporting activities, and choir, broke down in my office because she

could not financially or morally continue to support this government's forced gambling addiction. As a result, her children have had to withdraw from enrichment activities.

This conflict of conscience is one of the main factors contributing to volunteer burnout. Without the volunteers this province and country would come to an abrupt halt. Revenue can be positively generated through a highly educated and healthy workforce. Rather than investing in VLTs, casinos, and slots, which proliferate addictions, I urge this government to invest in its most important resource: Albertans.

head: **Presenting Petitions**

**The Speaker:** The hon. Member for Edmonton-McClung.

**Mr. Elsalhy:** Thank you, Mr. Speaker. Today I table a petition which, again, was initiated by a concerned parent from my constituency and signed by similarly concerned parents, this time from Camrose, Beaumont, Edmonton, Stony Plain, and Sherwood Park, calling on the Legislative Assembly to urge the government to eliminate school fees charged for "textbooks, locker rentals, field trips, physical fitness programs, music classes."

Thank you.

**The Speaker:** The hon. Member for Edmonton-Manning.

**Mr. Backs:** Thank you, Mr. Speaker. I have 216 signatures petitioning the government of Alberta. These are from residents of Onoway, Thorhild, Pincher Creek, Plamondon, Black Diamond, Millet, Tofield, and other Alberta communities. It says:

We the undersigned residents of Alberta, petition the Legislative Assembly to urge the Government of Alberta to prohibit the importation of temporary foreign workers to work on the construction and/or maintenance of oil sands facilities and/or pipelines until the following groups have been accessed and/or trained: Unemployed Albertans and Canadians; Aborigines; unemployed youth under 25; under-employed landed immigrants; and displaced farmers.

Thank you, Mr. Speaker.

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

**Mr. Bonko:** Thank you, Mr. Speaker. I have a petition that says:

We, the undersigned residents of Alberta, petition the Legislative Assembly to urge the Government of Alberta to introduce legislation declaring a moratorium on any future expansion of Confined Feeding Operations, with a view to phasing out existing operations within the next three years.

head: **Introduction of Bills**

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

**Bill 53**  
**Surface Rights Amendment Act, 2005**

**Mr. Oberle:** Thank you, Mr. Speaker. I request leave to introduce a bill being the Surface Rights Amendment Act, 2005.

Mr. Speaker, the current situation in Alberta is that if a reclamation certificate for a private company, an energy company operating on private land is rescinded, the company has no rights of entry onto private land to conduct remedial work. This amendment would allow for a right of entry, yet still the landowner is protected in that they have avenues of appeal to the Surface Rights Board for compensation for disturbance, damages, or other costs.

Thank you, Mr. Speaker.

[Motion carried; Bill 53 read a first time]

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

**Mr. Hancock:** Thank you, Mr. Speaker. I would move that Bill 53 be moved onto the Order Paper under Government Bills and Orders.

[Motion carried]

head: **Tabling Returns and Reports**

**Mrs. McClellan:** Mr. Speaker, on November 16 I tabled the 2005-06 supplementary estimates for the general revenue fund and lottery fund. In the preface on page 1 it should have stated that the supplementary estimates "will authorize a \$1,531,247,000 increase in voted Expense and Equipment/Inventory Purchases." This tabling does not affect the supplementary appropriations being considered by the House, and accordingly I am now tabling five copies of the revised page 1.

**The Speaker:** The hon. Minister of Education.

**Mr. Zwozdesky:** Thank you. Mr. Speaker, I'm pleased to table with you a copy of a letter of congratulations which I'm sending out to Dr. Annette LaGrange, dean of the Faculty of Education at the University of Calgary, congratulating her and her team on the publication of this book, *My Most Memorable Teacher*, which I was pleased to officially unveil in Calgary yesterday with the Hon. Peter Lougheed and several other dignitaries. In short, this is a wonderful book, and I'll be donating a copy to the library downstairs so other members can see it. We'll also be providing copies to all the schools in Alberta because it recounts all 100 excellent stories that celebrate 100 years of teacher education in Alberta this year.

**The Speaker:** The hon. Member for Lacombe-Ponoka.

**Mr. Prins:** Thank you, Mr. Speaker. I'm pleased to rise today to table in the Assembly the requisite number of five copies of the Seniors Advisory Council annual report for 2004-2005, ended March 31, 2005.

2:50

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

**Ms Blakeman:** Thank you very much, Mr. Speaker. I have two tablings today. The first is from a constituent, Ronald Rowswell, noting that he finds the government's "stance on exempting civil marriage commissioners from performing same-sex civil marriages to be offensive."

The second tabling is from Yohana Rihana commenting on the \$400 rebate and noting that he felt that a specific amount of that, a hundred dollars, should be invested for the benefit of Albertans and suggesting a high-speed train link between Edmonton and Calgary as an excellent opportunity for that investment. I must say that I agree, Mr. Speaker.

Thank you.

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

**Mr. Bonko:** Thank you, Mr. Speaker. I'd like to table the appropriate number of copies of a resolution signed by the Treaty 8 First Nations, with all 23 nations represented. It basically raises a concern with the lack of consultation with First Nations people on forest management agreement renewals.

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

**Mr. Agnihotri:** Thank you, Mr. Speaker. In this tabling two valid points are raised by an instructor in postsecondary education: that if the government is considering free tuition fees, to get the refund, number one, the student must have “completed their last two years of study” and, number two, must have been a resident of Alberta “for a minimum of 5 years.”

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

**Mr. Martin:** Thank you, Mr. Speaker. I’d like to table a document on behalf of the leader of the NDP opposition. It is called the Alberta Pharmaceutical Savings Agency, and it is a detailed report on our vision for reining in the cost of prescription drugs.

**The Speaker:** Are there others?

Hon. members, I’d like to table today appropriate copies of a brochure produced by the Legislative Assembly of Alberta titled Page Biographies, First Session, fall sitting, 26th Legislature. There are some really remarkable young people whose biographies are attached, and I hope hon. members will have a chance to review them.

head:

### Tablings to the Clerk

**The Clerk:** I wish to advise the House that the following documents were deposited with the office of the Clerk. On behalf of the hon. Mr. Cardinal, the Minister of Human Resources and Employment, a report, undated, entitled Collective Agreement Settlements in Alberta, prepared by Alberta Human Resources and Employment.

On behalf of the hon. Mrs. Fritz, Minister of Seniors and Community Supports, a response to Written Question 9 asked by Mr. MacDonald on behalf of Ms Pastoor on April 11, 2005; a response to Written Question 32 asked by Mr. Eggen on behalf of Mr. Martin on May 9, 2005; and a return to order of the Assembly MR 23 asked by Ms Pastoor on April 18, 2005.

On behalf of the hon. Mr. Renner, Minister of Municipal Affairs, pursuant to the Government Organization Act the Alberta Boilers Safety Association annual report 2004; the Alberta Elevating Devices and Amusement Rides Safety Association annual report, April 1, 2004, to March 31, 2005; the Petroleum Tank Management Association of Alberta annual report 2004; pursuant to the Safety Codes Act the Safety Codes Council 2004 annual report; and the authorized accredited agencies activity summary, April 1, 2003, to March 31, 2004.

head:

### Orders of the Day

head:

### Written Questions

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

**Mr. Zwozdesky:** Thank you, Mr. Speaker. Proper notice having been given on Thursday, November 17, it is my pleasure to move that written questions appearing on today’s Order Paper do stand and retain their places with the exception of written questions 33, 34, 35, 36, 37, 38, 39, 40, 41, and 42.

[Motion carried]

### Information Technology Security Awareness

Q33. Mr. Elsalhy moved that the following question be accepted. What measures has the Ministry of Restructuring and

Government Efficiency taken to improve the information technology security awareness of government employees as recommended in the Auditor General’s 2003-04 annual report?

**The Speaker:** The hon. Minister of Restructuring and Government Efficiency.

**Mr. Ouellette:** Thank you, Mr. Speaker. This question from the member opposite is indeed most welcome. I’m pleased to rise and accept this question because security of information is of critical importance to the government and to all Albertans. My ministry has recently undertaken a number of activities to address this matter, of which I’ll be happy to provide a written response.

**The Speaker:** The hon. Member for Edmonton-McClung to close the debate, or should I call the question?

**Mr. Elsalhy:** Call the question, sir.

[Written Question 33 carried]

### Species at Risk

Q34. Mr. Bonko moved that the following question be accepted. What development management plans does the government currently have for protecting species at risk such as the grizzly bear and the peregrine falcon?

**The Speaker:** Does anyone from the government want to deal with this?

**Mr. Coutts:** Mr. Speaker, I’m pleased to accept Question 34 on behalf of the government.

**The Speaker:** The hon. Member for Edmonton-Decore to close the debate, or should I call the question?

**Mr. Bonko:** Question.

[Written Question 34 carried]

### SuperNet

Q35. Mr. Bonko moved on behalf of Mr. Flaherty that the following question be accepted. What is the total value of all spending by the Ministry of Education related to the completion and/or operational status of the Alberta SuperNet over each of the fiscal years 2000-01 through 2004-05 inclusive?

**The Speaker:** The hon. Minister of Education.

**Mr. Zwozdesky:** Thank you, Mr. Speaker. I, too, am pleased with the question and pleased to convey that Alberta Education through my ministry will accept this Question 35.

**The Speaker:** Shall I call the question?

[Written Question 35 carried]

### ATB Regulatory Requirements

Q36. Mr. R. Miller moved that the following question be accepted.

What steps has the Department of Finance taken in 2004 since the receipt of the Auditor General's 2003-04 annual report recommending that ATB Investment Services Inc., ATB Investment Management Inc., and ATB Securities Inc. enhance their control processes to ensure that they meet regulatory requirements?

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

**Mr. R. Miller:** Thank you very much, Mr. Speaker. According to the most recent Auditor General's report, '04-05, there has been some progress in this regard. However, there appears to still be some work to be done, and I would look forward to the government's response.

Thank you.

**The Speaker:** The hon. Minister of Education.

**Mr. Zwozdesky:** Thank you, Mr. Speaker. On behalf of the Minister of Finance I'm pleased to inform the member that she is prepared to accept Written Question 36.

**The Speaker:** Hon. member, should I call the question?

[Written Question 36 carried]

#### Forest Protection Budget

Q37. Mr. Bonko moved that the following question be accepted. Which reports, consultations, and stakeholder reviews have indicated to the government that \$75.6 million was the total amount needed to be allocated to forest protection for the 2003-2004 fiscal year when the actual amount spent was \$204 million?

**The Speaker:** The hon. Minister of Sustainable Resource Development.

**Mr. Coutts:** Thank you very much, Mr. Speaker. I will also accept Written Question 37 on behalf of the government.

**The Speaker:** Shall the question be called?

[Written Question 37 carried]

#### AUMA Convention Open House

Q38. Mr. Taylor moved on behalf of Dr. Taft that the following question be accepted. Who attended the minister's open house for the Alberta Urban Municipalities Association fall 2004 convention on November 17, 2004, in Edmonton that cost \$6,711.11?

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

**Mr. Renner:** Thank you, Mr. Speaker. I would like to move an amendment to the question as follows, and I believe the amendment has been circulated. I will move that Written Question 38 be amended by striking out "Who attended" and substituting "What groups were given invitations to." The amended written question will now read as follows: "What groups were given invitations to the minister's open house for the Alberta Urban Municipalities Association fall 2004 convention on November 17, 2004, in Edmonton that cost \$6,711.11?"

3:00

Now, Mr. Speaker, the reason for the amendment is simply that there are not records kept of those that attend these kinds of receptions. Generally speaking, all the participants in the conference are invited, and the amendment is self-evident. We'll be more than happy to supply the information on who was invited. Whether or not they showed up, unfortunately, we're not able to advise.

**The Speaker:** On the amendment, the hon. Member for Calgary-Currie.

**Mr. Taylor:** Mr. Speaker, that will hardly answer the question that was asked, and one might suggest that the government start keeping records like that. Nevertheless, I suppose that we should accept the amendment.

[Motion on amendment carried]

**The Speaker:** The hon. Member for Calgary-Currie to close the debate, or should we call the question?

**Mr. Taylor:** Call the question.

[Written Question 38 as amended carried]

#### Economic Development Hosting Expenses

Q39. Mr. Bonko moved that the following question be accepted. How much money has been spent by the Ministry and Department of Economic Development on hosting expenses for the fiscal years 1992-93 through 2004-05 inclusive broken down by function and year?

**Mr. Doerksen:** Mr. Speaker, on behalf of my colleague the Minister of Economic Development I would indicate that we will not be accepting this question. The reason for this is that the vast majority of information requested is publicly available through the *Alberta Gazette* currently. I'm advised that information current to June 30, 2004, is available, and the remainder of the information being sought will be available through the *Alberta Gazette* within the next month.

**The Speaker:** If I call on the hon. Member for Edmonton-Decore, it will close the debate, so that's why I am waiting just momentarily.

**Mr. Bonko:** Thank you, Mr. Speaker. I'm disappointed with the information and the minister's statement there. Apparently, maybe we could have it in written, then, instead of verbal.

[Written Question 39 lost]

#### Provincial Achievement Exam Costs

Q40. Mr. Bonko moved on behalf of Mr. Flaherty that the following question be accepted. What is the total cost associated with administering the provincial achievement exams over each of the fiscal years 2000-01 through 2004-05 inclusive?

**The Speaker:** The hon. Minister of Education.

**Mr. Zwozdesky:** Thank you, Mr. Speaker. I want to indicate to the House that I'm prepared to accept Written Question 40 on behalf of my Ministry of Education.

[Written Question 40 carried]

### Department of Energy Service Contracts

- Q41. Mr. Taylor moved on behalf of Mr. MacDonald that the following question be accepted.  
How much money in total did the Ministry and Department of Energy spend on service contracts in the 2003-04 and 2004-05 fiscal years broken down by organization?

**The Speaker:** The hon. Minister of Energy.

**Mr. Melchin:** Thank you, Mr. Speaker. I reject Question 41. The service contracts could be broadly or very narrowly interpreted by definition, so I'm not really certain how far or how little or how much information is required. I would be happy to facilitate that if it was more precise. We do list payments to outside parties that are made by the department, and they're identified in the public accounts, and they're certainly available in those documents if the member wishes.

**The Speaker:** The hon. Member for Calgary-Currie to close the debate.

**Mr. Taylor:** Mr. Speaker, I will just express my disappointment in the answer given and call the question.

[Written Question 41 lost]

### Truck Driver Supply

- Q42. Mr. Elsalhy moved on behalf of Mr. Chase that the following question be accepted.  
How does the government calculate that there is a shortage of truck drivers in Alberta?

**Ms Evans:** Mr. Speaker, on behalf of my colleague the hon. Minister of Human Resources and Employment I'm pleased today to rise and accept Written Question 42.  
Thank you.

[Written Question 42 carried]

head: **Motions for Returns**

**The Speaker:** The hon. Deputy Government House leader.

**Mr. Zwozdesky:** Thank you, Mr. Speaker. Proper notice having been served on Thursday, November 17, it is my pleasure to move that motions for returns appearing on today's Order Paper do stand and retain their places with the exception of motions for returns 44, 45, 46, 47, and 48.

[Motion carried]

### Disaster Recovery Program

- M44. Mr. Taylor moved on behalf of Dr. Taft that an order of the Assembly do issue for a return showing a breakdown of the distribution of funds from the provincial \$74 million disaster recovery program announced on July 27, 2004.

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

**Mr. Renner:** Thank you, Mr. Speaker. I'm pleased to report that the government is prepared to accept Motion for a Return 44.

[Motion for a Return 44 carried]

### Economic Development Grants

- M45. Mr. Bonko moved that an order of the Assembly do issue for a return showing a detailed breakdown of grants distributed by the Ministry and Department of Economic Development in the 2003-04 fiscal year broken down by organization.

**Mr. Doerksen:** Mr. Speaker, on behalf of my colleague the Minister of Economic Development I would indicate that we are not accepting this motion for a return. The reason is that this information is forthcoming and will be tabled in the Assembly in General Revenue Fund: Details of Grants, Supplies and Services, Capital Assets and Other, by Payee.

[Motion for a Return 45 lost]

### Seniors' Benefits Program

- M46. Ms Pastoor moved that an order of the Assembly do issue for a return showing a breakdown of how much money each senior recipient receives through the Alberta seniors' benefits program after the July 1, 2004, changes went into effect compared to before July 1.

**The Speaker:** The hon. Minister of Seniors and Community Supports.

**Mrs. Fritz:** Thank you, Mr. Speaker. I'd be pleased to accept the motion for a return if it was amended and also to let you know that this amendment was previously shared with my colleague opposite and circulated to members of the House as the protocol for Motions for Returns requires.

I'd like to move that Motion for a Return 46 be amended by striking out "how much money each senior recipient receives" and substituting "threshold levels and maximum cash benefits available," by striking out "compared to" and substituting "and a comparison to those in place," and by adding "2004" after compared to "before July 1."

3:10

Mr. Speaker, the amended motion would now read as follows: "A breakdown of threshold levels and maximum cash benefits available through the Alberta seniors' benefit program after the July 1, 2004, changes went into effect and a comparison to those in place before July 1, 2004."

I'd like to comment on the rationale for making this change. The original request was to compare how much assistance each client received before and after the income level and benefit amounts changed on July 1, 2004, but it is against the freedom of information and protection of privacy legislation to release the personal information of each of the program's 142,000 clients, which would be needed for the comparison. The amendment I've brought forward would allow us to provide similar information and still protect client privacy and comply with FOIP.

Also, this information will still show how seniors benefited from the increased thresholds in cash benefits on July 1, 2004, which made the program one of the most generous seniors' provincial benefits in the country. As well, Mr. Speaker, by adding the year, we can clearly indicate the time frame for when the changes came into effect and how our seniors benefited.

Having said that, I would like to move that Motion for a Return 46 be accepted with these amendments.

Thank you.

**The Speaker:** The amendment is debatable if anybody wants to participate.

[Motion on amendment carried]

**The Speaker:** The hon. Member for Lethbridge-East to conclude the debate.

**Ms Pastoor:** Question.

[Motion for a Return 46 as amended carried]

### Correspondence with Enron

M47. Mr. Taylor moved on behalf of Mr. MacDonald that an order of the Assembly do issue for a return showing copies of all correspondence between the Ministry and Department of Energy and Enron Corporation, Enron Canada Corp., and/or any affiliated companies regarding electricity deregulation from January 1, 1990, to January 1, 2005.

**The Speaker:** The hon. Minister of Energy.

**Mr. Melchin:** Thank you, Mr. Speaker. We reject Motion for a Return 47. This process is not intended to be used to circumvent, I would say, the processes that are there to protect Albertans' access to information and protection of privacy rules. The hon. member is aware of the requirement to ensure the protection of privacy of any potentially affected individuals or entities. For the wide-ranging information being sought through this motion for a return, the hon. member should be using the process as exists under Alberta's freedom of information and protection of privacy legislation. This would allow any potentially affected third party an opportunity to review and respond to the request.

I'd like to mention, Mr. Speaker, that the hon. member who placed Motion for a Return 47 has actually also followed that procedure and has received a substantial amount of material on this specific topic already.

**The Speaker:** The hon. Member for Calgary-Currie to close the debate.

**Mr. Taylor:** Mr. Speaker, I trust and hope that those who crafted our freedom of information and protection of privacy legislation when they crafted said legislation did not expect it to be put to the purpose that it is repeatedly put to by this government. It is not freedom from information; it is freedom of information, I would remind the minister.

Thank you.

[Motion for a Return 47 lost]

### Traffic Safety Report

M48. Mr. Elsalhy moved on behalf of Mr. Chase that an order of the Assembly do issue for a return showing a breakdown of the total costs related to the production of the McDermid report, Saving Lives on Alberta's Roads, including the costs of all remuneration, administrative and research support, space rental or leasing, equipment and supplies, travel expenses, document design and printing, and advertising or promotion.

**Mr. Doerksen:** Mr. Speaker, on behalf of the Minister of Infrastructure and Transportation we will accept Motion for a Return 48.

[Motion for a Return 48 carried]

head: **Public Bills and Orders Other than  
Government Bills and Orders  
Second Reading**

### Bill 205

### Fair Trading (Telemarketing) Amendment Act, 2005

[Adjourned debate May 16: Mr. Webber]

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

**Mr. Taylor:** Thank you, Mr. Speaker. It is my pleasure to rise in the House this afternoon to speak to Bill 205, the Fair Trading (Telemarketing) Amendment Act, 2005, and to add that I do not need my furnace cleaned, I do not need my carpet cleaned, I do not wish to participate in your survey, and I'm quite capable of making up my own mind, thank you, when I need the services of the firms that hire telemarketers.

Mr. Speaker, I think it is about time that we saw a piece of legislation like this – and I know that I will be pleased to vote in favour of it on second reading – a piece of legislation that does put additional restrictions, above and beyond what the Canadian Radio-television and Telecommunications Commission's telemarketing rules state, to keep us safe and sound in our houses at dinnertime and allow us to have some quality time with our families. Lord knows, it is increasingly difficult to do that these days as both adults in a household in Alberta typically work, the children are engaged in any number of activities, and we all live very, very busy, multitasking lives.

I've long believed and, if I may be boastful for a moment, I think one of the reasons why, in my opinion anyway, the young Taylors have turned out as well as they have as young adults is that family dinner hour is incredibly important, a vital time for family members to reconnect in their busy days and their busy weeks and to remember that, in fact, they are all part of the family. We have a rule in the Taylor house: if the phone rings during dinnertime, the answering machine gets it, period. That's it. We don't pick up the phone. Mr. Speaker, if you call the Taylor house during the Taylors' dinner hour, with respect, you'll get our answering machine. We haven't had to do this to screen out friends or family or neighbours calling. We've had to do this to screen out telemarketers.

The only objection that I would raise to this bill, really, is that it doesn't extend its restrictions on telemarketing to persons conducting polls or surveys. Frankly, I think that in the months and years to come, we are going to have to grapple with this, too, because more and more often when you pick up the phone, it is somebody conducting a survey rather than somebody trying to sell you something or clean your carpet or whatever.

**Ms Blakeman:** Yeah, but is it a real survey?

**Mr. Taylor:** My hon. colleague from Edmonton-Centre asked, "Yeah, but is it a real survey?" Well, in the Taylor household we wouldn't know because as soon as they say the word "survey," we're out of there. "No, thank you. We don't wish to participate." At least, that's the answer they get when we're feeling polite, and we don't always feel polite in the Taylor household, as some of my hon. colleagues might already have surmised, I suppose.

I think the restrictions in hours – and I refer to the bill here – that

(3) no person may engage in telemarketing

(a) on a weekday except between 9 a.m. and 5 p.m. and between 8 p.m. and 9 p.m.,

restricted hours on weekends, and none of those darn calls at all on

general holidays under the Employment Standards Code will be a welcome relief to an awful lot of Albertans who, frankly, are sick and tired of getting calls from people wanting to sell them stuff.

3:20

You know, we're a fairly highly educated people in this province, and it's long been my belief, Mr. Speaker, that fairly highly educated people, maybe even moderately educated people, maybe even people who didn't finish high school are perfectly capable of deciding for themselves when they need a product or service and going out and acquiring it for themselves when they do, hopping in the car and driving over to Canadian Tire or wherever to get the thing they need. We don't need to be phoned and reminded or solicited or come on to. You know, we'll go buy that stuff when we need it.

Actually, there is one other objection that I have to this bill, not a strong enough objection to make me vote against it, certainly, but one thing that I wish we could change. Perhaps when we get to committee, we can visit this. Another exemption goes to organizations that have "a pre-existing business relationship with the person who is being called or faxed." You know, I can think of one financial institution, which shall remain nameless, and one telephone company, which shall remain nameless, who in both cases I had to tell after the fourth and fifth calls: "Listen, I'm perfectly happy with the service you're providing me the way it is. Trust me; if I need call display or a line of credit, you'll be the first to know. I'll call you."

So when we get to committee stage, Mr. Speaker, perhaps the House will consider removing that exemption. It might be a worthwhile thing because, as I said before, I think intelligent people with pre-existing business arrangements with companies can still make up their own minds when they need added services, added doodads. In the case of the *Globe and Mail*, the *Sunday New York Times*, I don't know how many times I've told the *Globe and Mail* that I don't have time to read a newspaper on Sunday.

Mr. Speaker, I think that that covers the basics of what I wanted to say. I will be supporting this bill in second reading. Thank you very much.

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

**Ms Blakeman:** Thanks, Mr. Speaker. Overall, I'm actually surprised it's taken this long to get this bill in front of this House, seeing as, I think, the annoyance factor from having telemarketers approaching our residential phones has been going on for some time. But we have it in front of us now, and in principle I'm willing to support it.

Just a couple of questions that I have for the sponsor of the bill, if he'd be so kind as to answer them, maybe when we go into Committee of the Whole. I'm pleased to see that there is an exemption for charitable organizations registered under the Charitable Fundraising Act or the Income Tax Act.

One clarification that I'm seeking. In the past there have been organizations that made their money – they were for-profit businesses – by marketing tickets to events, usually sort of an all-star event, and some portion of the proceeds of the ticket would go to a charity. They were very successful. The one I'm thinking of often dealt with the firefighters' burn unit. They would have some sort of – it was always a bit weird because they would have baseball players playing hockey or hockey players playing baseball or somebody doing something other than they usually do. But they were a big-name sports person, and therefore people would fork out for tickets. This business would phone up and say, "Well, if you bought tickets, then we could send these underprivileged kids to this," or if you

bought tickets, a certain amount off each ticket would go to support X group.

I'm wondering if organizations like that, who, in fact, are a for-profit business but are assisting – and they may well be registered as an agent under the Charitable Fundraising Act – would be captured in the prohibitions underneath this act or if, in fact, they would fit under the exemptions that are offered by the act.

The second question that I have is around section (5)(c), "an organization that has a pre-existing business relationship with the person who is being called or faxed." My question is: how is that pre-existing relationship determined? Does it mean that there's been phone contact of a certain period of time to indicate that there may have been a verbal exchange in the past? So if there's a phone record showing that you'd been on the phone with this group for more than five minutes, you'd now have a pre-existing business relationship? Or does it require that there was actually a financial transaction in the past that would make that relationship happen or that they could prove that you volunteered your information to them?

Part of what I'm thinking of is that you go to those trade shows, and everybody has a free draw. Of course, it's a way to harvest information about people. You put your name and address and telephone number in. Yes, indeed somebody does get a day at the gym, but everybody else gets their information kept for contact purposes. I'm wondering if that slip of paper, that chit, is enough to say that I have a business relationship with them because I gave my information voluntarily to the group. What I'm looking for is: what is the criteria? How does the pre-existing business relationship get determined, under what criteria, and who decides that? Is it just there until it's challenged by the individual and then the business organization has to prove the relationship through whatever means that it can, or is there somebody that keeps track of all of this? I'm just looking for how all of that is determined.

Thank you very much for the opportunity to speak in second reading on Bill 205, the Fair Trading (Telemarketing) Amendment Act, 2005. I'm sure that there'll be many people who are pleased to see this pass, and I look forward to getting answers to my questions and to more debate in Committee of the Whole.

Thank you.

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

**Mr. Mason:** Not on Bill 205, Mr. Speaker.

**The Speaker:** You don't want to participate on this one?

**Mr. Mason:** No.

**The Speaker:** The hon. Member for Highwood.

**Mr. Groeneveld:** Thank you, Mr. Speaker. It is a pleasure to rise and join the debate on Bill 205, brought forward by the Member for Calgary-Montrose, which would create a provincial telemarketing licence registry as well as set up the guidelines for telemarketers in the province of Alberta.

I'll try and speak verbally, Mr. Speaker, because I've not deciphered yet how hand signals show up in *Hansard*.

Anyway, when I first saw this legislation, the first thing that came to mind is the jurisdiction of this issue. However, it has come to my attention that section 42 of the Fair Trading Act does allow for regulations to be created respecting the marketing of goods and services over the telephone. That poses a question: what if a



telemarketing business is operating out of Saskatchewan or, indeed, British Columbia? Would section 42 apply to it, or is it more reasonable to leave the world of telemarketing up to the federal jurisdiction?

Telemarketing is one way for businesses to advertise their products and offer their services. More often than not these businesses use professional telemarketers or call centres to make telephone calls and send faxes to potential customers on their behalf.

Other groups that use this service are charitable organizations. To generate funds, charitable organizations will sometimes contact potential donors directly or through a telemarketing firm using unsolicited telephone calls or faxes. Although this, too, is an unsolicited action performed by an organization, Bill 205 proposes that nonprofit organizations, registered charities, and calls made for the strict purpose of polling or surveying be exempt from this legislation.

Mr. Speaker, this draws a line in the sand, so to speak, as to what is an unacceptable unsolicited telephone call or fax and what is an acceptable unsolicited telephone call or fax. Ultimately, however, I believe that any unsolicited communication between any organization or company and an individual needs to fall under a blanket approach to ensure that there are little to no loopholes at all for this type of action.

I also think it is important to clarify that current federal legislation does not adequately produce the necessary control mechanisms that are required to properly influence telemarketers to respect the rights of the individual. However, as I mentioned, the best way to address this issue is through a blanket approach.

One of the most disturbing instances an individual can encounter when dealing with telemarketers is when he or she receives a telephone call where there is no one on the other end of the line. It can be annoying and, at the least, frightening. Some telemarketing organizations use automatic dialers to perform telephone calls or send faxes. A dead air or hang-up call will occur if a telemarketing representative isn't available when the call is answered. Generally, companies allow sufficient time between calls for a representative to be available. However, if the telemarketing representative is on another line longer than expected, the result is dead air. The result of this action is Albertans being disrupted from whatever they are doing for no particular reason. This serves no purpose, and the end result is a disgruntled customer, who would much rather not be bothered by these types of annoyances.

3:30

There is little argument against enforcing more stringent restrictions on telemarketers, and I for one am in favour, but I also think that it is important to look at what is currently being done and build on that. Restrictions are currently in place which apply to all telemarketers, although they may differ depending whether they use a fax or a telephone. As a minimum telemarketers must maintain a do-not-call list or a do-not-fax list. Telemarketers must also provide customers with a fax or a telephone number where the responsible person can be reached.

It is often joked that when a telemarketer calls, an individual should ask for their number so that they can call them back at a more appropriate time. Usually it is hinted that that will be while they are eating their lunch. More often than not a number is not given, and the telemarketer explains that they are unable to provide such a number.

Mr. Speaker, it is options such as do-not-call lists and contact numbers where individuals can be reached that should be more thoroughly enforced through federal legislation, and I think that is something that provinces can work together towards. The federal

government lays out a list of actions one can take to deter telemarketers from calling. Although these may not always prove effective, it is important that we recognize them as mechanisms currently in place and encourage other jurisdictions to work towards a blanket approach which strengthens the current legislation.

As a first step an individual is asked to call a telemarketer directly and ask to be removed from their fax lists or tell them that they want to be placed on their do-not-call list. As well, an individual can contact the Canadian Radio-television and Telecommunications Commission, in which case they will pursue the matter on behalf of an individual. Another possible solution is for the individual to have their contact information removed from any directories made available by their local telephone company to publishers of independent paper and electronic directories.

Mr. Speaker, according to federal legislation, telemarketing refers to

the use of telecommunications facilities to make unsolicited calls for the purpose of solicitation where solicitation is defined as the selling or promoting of a product or service, or the soliciting of money or money's worth, whether directly or indirectly and whether on behalf of another party. This includes solicitation of donations by or on behalf of charitable organizations.

The current rules in place apply to all unsolicited calls for the purpose of solicitation. They apply to business-to-business telephone solicitation and calls from businesses to existing customers. However, these rules do not extend to calls where there is no attempt to advertise a product, offer a service; for example, calls for emergency purposes, calls to collect overdue accounts, calls for market or survey research, and calls to schedule appointments.

The specific guidelines for facsimile solicitation. Calling hours are restricted to weekdays between 9 a.m. and 9:30 p.m. and weekends between 10 a.m. and 6 p.m. The faxer must identify the person or organization on behalf of whom the fax or call is made, including a telephone number, fax number, name, and address of a responsible person to whom the called party can write. This rule also applies to organizations sending unsolicited fax calls on behalf of another organization. They must also display the originating calling number or an alternate number where the call originator can be reached. Sequel dialing, or having a computer dial all possible numbers in a sequence, is not permitted. Fax calls are not permitted to emergency lines or health care facilities. Names and numbers must be removed within seven days of the called party's request. Do-not-call lists are to be maintained by the calling party and remain active for at least three years.

The specific guidelines for telephone solicitation. Callers must identify the person or organization they represent. Upon request callers must provide the telephone number, name, and address of a responsible person whom the called party can write to. Callers must display the originating calling number or an alternate number where the caller can be reached. Names and numbers of called parties must be removed within 30 days of the called party's request. Do-not-call lists are to be maintained by the calling party and remain active for three years. There are no calling hour restrictions on live-voice calls. Sequential dialing is not permitted. Calls are not permitted to emergency lines or health care facilities. Random dialing and calls to unpublished numbers are allowed.

The specific guidelines for the use of automatic dialing and announcing devices, or ADAD. These devices used for the purpose of a solicitation are prohibited, including calls on behalf of a charity, radio station promotions, or calls referring the calling party to a 900/976 number. Weekday calling hours for permitted calls are from 9:30 a.m. to 8 p.m., Saturdays from 10:30 a.m. to 5 p.m., and Sundays from noon to 5 p.m. These hours do not apply to emer-

agency situation announcements. Calls are to begin by identification of the person or business on behalf of whom the call is made, including a mailing address and a toll-free telephone number. ADAD calls must display the originating calling number or alternate number where they can be reached.

**The Speaker:** Thank you, hon. member, but I think we now have to recognize the hon. Member for Edmonton-Rutherford.

**Mr. R. Miller:** Well, thank you very much, Mr. Speaker. I'm pleased to have an opportunity to speak to Bill 205 in second reading. Mr. Speaker, I share the sentiments of my colleague from Edmonton-Centre, who indicated that she was somewhat surprised that a similar bill hadn't come before the Legislature sooner given the amount of concern that I think all of us have heard at one time or another from constituents regarding these unsolicited phone calls, faxes, and in fact, of course, the infamous e-mail spams that we're all subject to.

Certainly I'm supportive of this bill. I do have a couple of questions or concerns that I would just like to get on the record. First of all, I guess I'd like to say that I really believe that we should have extended this to a do-not-call list as well because although the steps taken in this bill will go some of the way towards addressing the concerns that I hear and I'm sure we all hear, I don't believe that anything short of a province-wide do-not-call list will really, truly provide the relief that many of us would be looking for.

Under clause 5 we talk about persons conducting a poll or a survey being exempted. As a small business owner I have been on the receiving end of far, far too many of these calls. I think that it's imperative to point out that while much of the discussion in this Assembly has taken place around residential calls and people's dinners being interrupted and that sort of thing, the reality is that those conducting small businesses in this province are literally bombarded by these calls and impacted at least as much, if not more, during their business hours as residential homeowners are during their private recreational hours. As a result, I think that we have to pay as much attention, at least, to the businesspeople in this province.

As I said, many, many times I would be on the receiving end of these calls and often – often – they're disguised as a poll or a survey, even though the real intent . . .

**An Hon. Member:** That would be us.

**Mr. R. Miller:** Oh. Is that you guys? That would be the NDP opposition, apparently, disguising themselves as a poll or a survey. What was it that you were trying to sell then?

**An Hon. Member:** Liberalism.

**Mr. R. Miller:** As an example, Mr. Speaker, you'll be asked several questions regarding the type of photocopier that might be used in your business establishment or the type of fax machine that's used in your business establishment. These questions will go on and on, and if you allow yourself to be strung along long enough, eventually it will come to the point where you find out, in fact, that they are selling or attempting to sell.

3:40

Likewise, with the following exemption that talks about "a pre-existing business relationship with the person who is being called or faxed." Again, this is a very common strategy for these telemarketers to represent themselves as having done business with you in the

past. I would like to think that I was a relatively astute businessman and didn't fall for this particular scheme, but certainly I've spoken to many over the years who have when they get a call from a company representing themselves as having done business with you for so many years or "We've sold you this product before." In reality, once again, if you're unfortunate enough to stay on the line long enough, you will eventually find out that, in fact, you have no existing business relationship with these people. Perhaps you may not go into the fact.

Certainly, they, I believe, tend to focus on the medium- to large-size businesses where, perhaps, particularly in the medium-size businesses, there are several people that might be involved in purchasing, and one wouldn't necessarily know whether or not another purchaser has dealt with that company. So they really are in effect preying on an unawareness of the practice that they use.

I mentioned as well, Mr. Speaker, the e-mails and the spams. Unfortunately, most of us, I don't believe, have the resources available to us that the Alberta government has available to it. The government-provided computers that I'm fortunate enough to use in my office and the laptop that I'm provided with by this Assembly are very well protected. There's not a lot of spam that comes through those, but most of us don't have the resources to protect our personal computers to the same extent. I'm sure we've all been bombarded to an unbelievable extent by unsolicited sales of everything from toner supplies to the little blue pill that some members in this Assembly might know more about than I do. As I say, even with the great security that is put in place on the government computers, I know that there is a concern in the constituency offices about a number of spam e-mails that somehow manage to find their way through. So I would have liked to have seen this bill address that as well.

Certainly, as I said, Mr. Speaker, it is a step in the right direction. Hopefully, it will at least begin to address some of those concerns that we have heard, as I said, not only from residences but from small business as well.

Thank you very much.

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

**Ms DeLong:** Thank you very much, Mr. Speaker, for giving me this opportunity to join the debate on Bill 205, the Fair Trading (Telemarketing) Amendment Act, 2005. Before I begin, I would like to thank my colleague for Calgary-Montrose for bringing forward this piece of legislation and for allowing the House the opportunity to consider this important matter.

Without a doubt, most Albertans and most Canadians, for that matter, aren't too keen on having their privacy disturbed by companies or individuals trying to sell them products or services over the phone. I imagine there are very few of us, if any, who jump with excitement at the opportunity to pick up the phone from someone who is trying to sell us something. Even worse, most of the time the products or services that they try to sell us we may already have or don't have a need for. In other words, the phone calls are likely to become a complete waste of our time and, if they occur frequently, can become an unnecessary nuisance.

Over the past decade or so the telephone has become one of the favourite tools of communication for companies trying to market their products or services. Telemarketing has become a large industry generating billions of dollars in revenue. It's an efficient, cheap, and effective mode of marketing that allows companies to reach potential customers world-wide at a very low cost.

One of the major advantages of telemarketing over other modes of direct marketing is that it allows companies to market their

products to a very large number of customers without having to have a large presence at the destination market. For example, if I run a bank and I would like to market my services to customers in the U.K., I don't have to hire staff in the U.K. to advertise and sell my services. I can easily do this from any location in the world where telephones are available and where labour costs are, preferably, cheap. The added benefit of resorting to this type of marketing is that I don't have to provide retail space or have a large presence in the destination market. However, while telemarketing can be business friendly, it definitely is not privacy friendly.

With this in mind, Bill 205 proposes to limit the amount of such calls by making it illegal for telemarketing companies to solicit Albertans unless these companies have obtained a marketing licence and have agreed to abide by the telemarketing rules and regulations. In order to accomplish this, Bill 205 calls for the creation of a government-maintained telemarketing licence registry that would issue provincial telemarketing licences to companies wishing to solicit Albertans over the phone. In addition, Bill 205 proposes to incorporate more stringent rules and regulations concerning telemarketing to ensure that Albertans are not overly inconvenienced by telephone solicitations.

Consequently, the bill introduces restrictions pertaining to when telemarketers would be allowed to solicit the general public. Under such restrictions telemarketers would be restricted to placing their phone calls between the hours of 9 a.m. to 5 p.m. and 8 p.m. to 9 p.m. on weekdays, between 10 a.m. and 5 p.m. during weekends. No telemarketing phone calls would be allowed on general holidays. The advantage of such measures is that it would not only forbid telemarketers from contacting customers during the proposed times, but it would also establish a set of consistent rules and limitations concerning telemarketing practices within the province.

Now, Mr. Speaker, while I agree in principle with the concept that Albertans should not have their privacy disrupted by unsolicited calls, I envision some issues concerning the measures proposed in Bill 205. I feel that Bill 205 is perhaps impractical and could also be viewed by our business community as unfair. While Bill 205 would protect Alberta consumers from unwanted phone solicitations from Alberta-based telemarketers, it could potentially send a wrong message to existing and potential investors regarding the openness of Alberta's free-market economy. Many companies world-wide consider telephone sales and advertisements as a commercial right and freedom and, as I mentioned before, a cost-effective medium for retailing their products and services. If we forbid companies within Alberta from utilizing this medium, we could potentially limit their ability to stay competitive and generate revenues.

Now, Mr. Speaker, I am not going to predict that enacting Bill 205 could have the unintended consequence of driving some of these companies out of Alberta, but it could potentially discourage others from bringing their business and investment to our province. While perhaps I'm being overly cautious in my analysis, I do think this is an issue that we should consider.

From the fairness and precedent perspective I believe that we should examine the acceptability of other mediums of retail advertisement before we start looking at limiting telemarketing. As an example, Mr. Speaker, Alberta currently permits salespeople and sales representatives to come to our front door to market their products and services face to face, which, I would argue, is a far more intrusive mode of solicitation and advertisement than telemarketing. At least, over the phone one has less hesitation to hang up if they do not wish to speak to a salesperson, while at the front door and in person this can be trickier as people tend to be more polite. With this in mind, I would argue that if we are not ready to do something about door-to-door soliciting, then we

shouldn't be looking at limiting telephone marketing, which is by far the lesser of two evils.

From the practical point of view, Mr. Speaker, I am also not convinced that enacting Bill 205 would accomplish the results we desire. The reason is because there are very few telemarketing companies that are based strictly here in Alberta. For instance, if you have call display on your phone, you can avoid pretty well all the telemarketing by simply not picking up telephone calls from outside of the province, which tells me that all of these telemarketing calls that we're getting are already from outside of the province. So if we add these regulations, we end up with no fewer telephone calls during dinner.

3:50

The vast majority of telemarketing companies that contact Albertans tend not to be based in our province, and therefore any potential provincial legislation that imposes a limit on telemarketing would simply not apply to them. This would not only create a situation where the few Alberta-based telemarketers would be placed at a significant disadvantage in relation to their competitors who are based in other provinces but would actually do very little to limit the number of unsolicited calls Albertans receive.

Since we cannot apply our laws to other provinces, I would suggest that the best course of action would be to consider working with the rest of the country in order to create a consistent policy coast to coast that would not only protect Albertans from unwanted telephone solicitation but Canadians as well. We should consider working with the federal government in regard to this issue and urge them to pass legislation similar to Bill 205. This would mean that there would only be one law regulating telemarketing in the country and would also be a far more effective measure than enacting only province-wide legislation.

With the introduction of Bill C-37, An Act to Amend the Telecommunications Act, in December 2004 the federal government has already demonstrated its willingness to tackle the problem of telephone solicitation. While Bill C-37 does not mirror Bill 205 in its approach to resolving the issue, it does offer a viable and effective means to an end. The advantage to a do-not-call list as proposed by Bill C-37 is that it gives Albertans and Canadians the option to contact the CRTC and request to be placed on the do-not-call list. By doing so, these individuals would ensure that no telemarketing company would be allowed to call their residence again.

While the proposed federal legislation seems to be far more restricting than Bill 205 in its approach to addressing the problem of unwanted telephone solicitation, I feel that if we must tread down this path, we should concentrate on finding a Canada-wide solution. I am of the firm conviction that a unified Canadian policy that addresses the matter of unwanted solicitation would be far more successful and fair than an Alberta-only alternative, as proposed by Bill 205. Currently C-37 is before the Senate for second reading, and all indicators are at this time that it will pass and become law. While it's not perfect, Mr. Speaker, I believe that it will be a much more effective tool in the regulation of telemarketing. It offers a Canada-wide solution that's fair and effective for everyone in the country.

Thank you.

**The Speaker:** The hon. Member for Calgary-Shaw.

**Mrs. Ady:** Thank you, Mr. Speaker, for the opportunity to speak to Bill 205 today. There's no doubt that telemarketing is a nuisance for many Albertans, and I think everyone in the Chamber can say that they've encountered these particular types of phone calls.

**The Speaker:** Unfortunately, I must inform the hon. member that the time has now passed us on this one, but there is an opportunity for the sponsor to conclude the debate.

I think we'll call the question then.

[Motion for second reading of Bill 205 lost]

### Bill 206

#### Alberta Pharmaceutical Savings Commission Act

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

**Mr. Mason:** Thank you very much, Mr. Speaker. It's my great pleasure to propose Bill 206, the Alberta Pharmaceutical Savings Commission Act, for second reading. This is a bill that we've given some considerable thought to or the concept behind it.

Mr. Speaker, the bill is, of course, a process for the development of a pharmaceutical agency and does not purport to lay out in detail how it would be structured, rather to establish a commission that would be charged with bringing it about. The function of the commission would be to "investigate and report on how the Alberta Pharmaceutical Savings Agency should be established and how the objectives in subsection (2) can be accomplished."

Subsection (2) indicates that it is responsible to

- (a) co-ordinate purchasing of prescription medications distributed by regional health authorities and pharmacies;
- (b) implement strategies for achieving savings through reference-based pricing and least-cost alternatives;
- (c) implement public education programs aimed at prescription drug users about the appropriate use of pharmaceuticals;
- (d) investigate proven, science-based alternatives to prescription drugs;
- (e) develop strategies to reduce direct marketing to physicians by pharmaceutical companies.

Mr. Speaker, just a little bit of background on this bill. The government, of course, has been proclaiming for some time now that they believe that the costs of our health care system are becoming unsustainable and that something must be done. Of course, the government's approach is to introduce changes or so-called reforms to the health care system that would simply increase the costs of that health care system, and that involves a second tier of privately delivered health care and private health insurance.

We've taken a different look at the situation, Mr. Speaker. We agree that steps need to be taken in order to control costs in the health care system, and we also believe that by innovation within the public health care system we can improve it, change it, modernize it, make it more responsive, and ultimately control the increase of costs. We had a look around the world at different systems and different approaches that might be useful, and we looked at a situation in New Zealand.

Now, prescription drug costs are perhaps the biggest driver of increased health care costs in our system. Alberta's costs increase an average of 15 per cent per year. This is not unlike the cost increases for prescription drugs in other parts of the world. At \$1.6 billion in 2004 drug costs are the second-largest component of health care expenditure, second only to hospitals. It's interesting to note that prescription drugs are the most privatized component of health care, and they are the fastest growing cost. We believe that it is time to take action against drug costs.

Now, this would establish a commission, as I mentioned earlier, called the Alberta pharmaceutical savings commission. Its mandate is to work out the details and the formal mechanisms for a province-wide pharmaceutical savings agency. With minimal upfront

investment an Alberta pharmaceutical savings agency could begin realizing savings within 10 months. With those savings, we can begin to invest in other innovations such as drug coverage for catastrophic illness and eventually a universal pharmacare program. As I mentioned, our program is inspired by the achievements of New Zealand's Pharmaceutical Management Agency, or Pharmac. Since 1993 drug costs have only increased by 3 per cent annually in New Zealand compared to Alberta's 15 per cent. The Conference Board of Canada has found that in one year New Zealand saved \$624 million on drugs.

The Alberta pharmaceutical savings agency would initially consist of the following core businesses: first, co-ordinating purchasing for prescription medications which are distributed by regional health authorities and by pharmacies; second, developing and implementing strategies to reduce demand-side costs; third, developing and maintaining a pharmaceutical formulary to identify those medications that offer comparable therapeutic outcomes for lower costs – in other words, a reference-based pricing or therapeutic substitution strategy – and fourth, it would phase in comprehensive public insurance for prescription medication to gain full advantage from the bulk purchasing and reference-based pricing strategies.

The APSA would work closely with regional health authorities to forecast demand for prescription drugs and then purchase those drugs in bulk. A monthly reporting system would be developed requiring RHAs to report monthly usage of pharmaceuticals to the APSA.

4:00

[Mr. Shariff in the chair]

Following the lead of Pharmac in New Zealand, the system should not have an onerous requirement for data coding requirements. It would, however, provide invaluable information to aid in purchasing prescriptions on the RHA's behalf. The APSA would use a number of strategies for negotiating the best possible price for prescription medications, including capped expenditure contracts, rebate arrangements, price and volume arrangements, package deals, and tendering for sole and preferred supplies. RHAs would maintain the primary responsibility for identifying quantity of purchase requirements and would pay for the drugs from RHA budgets.

Mr. Speaker, the cheapest pharmaceutical is the one that is never needed. Numerous studies have raised concerns about overprescription patterns and a reliance on brand name medications where generic alternatives exist. Several strategies would be employed to reduce consumer demand for prescription drugs, including education campaigns, prevention, alternative therapy, and a review of pharmaceutical marketing strategies, including direct-to-consumer advertising and physician-oriented marketing. We would seek to better integrate pharmacists into the health care system to make full use of their knowledge and skills.

Now, a third objective is to develop and maintain a pharmaceutical formulary to identify those medications that offer comparable therapeutic outcomes for lower costs. This approach of reference-based pricing has been successfully used by jurisdictions such as New Zealand to reduce costs. The formulary would identify medication that combines optimal therapeutic outcomes with the lowest costs. Therefore, where brand name and generic drugs do not produce comparable results, the higher cost, generally the brand name drug, would still be used. Where results are comparable, however, RHAs would be encouraged to make use of the lowest cost alternative. As the pharmaceutical savings agency expands its co-ordination of pharmaceutical purchasing to those dispensaries outside the RHAs, insurance providers will also be encouraged to

make use of the formulary to cover only the lowest cost alternatives.

Now, one of the most important pieces, Mr. Speaker, is to develop and implement the capacity to become a clearing house for all prescribed medications which are distributed in Alberta. In order to best combat escalating drug costs, all pharmaceuticals purchased in Alberta would make use of the savings negotiated by the pharmaceutical savings agency. The APSA will therefore extend its role from core businesses to non RHA pharmaceutical dispensers. Pharmacists would retain their role as front-line providers of pharmaceutical information and would still be allowed to charge dispensary fees. However, instead of negotiating with pharmaceutical companies directly, pharmacists would make purchases through the APSA. This would require development of important capacity but should be kept in mind as we begin negotiations under core business 1.

Mr. Speaker, the Alberta pharmaceutical savings agency's activities would cost approximately \$6.23 million a year, and if Alberta reduced its prescription drug costs to New Zealand levels, it would garner an annual saving of \$113 per capita, for a total annual savings of 346 and a half million dollars on drugs paid for out of the public purse.

Mr. Speaker, the rapidly escalating cost of prescription medication poses a serious threat to the ongoing viability of our health system, but fortunately Alberta has the resources to make an initial investment in an agency such as the Alberta pharmaceutical savings agency. Such an investment would bring benefits within a single fiscal year and free up additional cash in the years that follow. Bulk purchasing, reference-based pricing, and public-insured medication will have the potential to greatly reduce the human and fiscal impacts of high-priced pharmaceutical care.

**The Acting Speaker:** Hon. member, the allotted time has run out.

**Mr. Mason:** Thank you, Mr. Speaker.

**Ms Evans:** Mr. Speaker, I don't intend to speak for a long time, but what I would like to say is that I thoroughly respect the fact that the member opposite that's introduced this particular piece to the Legislative Assembly I think is very much on target with a lot of the thinking that we have been applying in Health and Wellness to examine our drug costs. While I responded at the time he first presented this to the public and said that it was likely not appropriate or not necessary because those are all issues that we're taking very seriously and taking action on, I'd like to in this House commit to the hon. member that the elements of what he proposes are very appropriate. Many of the elements I think are design features that we're currently looking at, and I'm absolutely thrilled that he and his colleagues have taken this amount of time to put together something and are very mindful of the drug costs.

The drug costs that we face and the costs of technology are rising at a rapid rate, as has been noted, and becoming more efficient and effective in our management of that sector of our budget would do a great deal to putting the dollars in front of the patient and in patient care as opposed to putting them in areas which have been inflationary and, at best, escalating beyond what seems to be control. So both the New Zealand model and what they've been doing in B.C. are elements that we're looking at. Between the ministries and the government, where support is given for drugs and technology which is affiliated with health care concerns, I would have to say that much of what the hon. member has suggested are things that we're quite mindful of.

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

**Ms Blakeman:** Thank you very much, Mr. Speaker. In my capacity as Health and Wellness critic for the Official Opposition I'm happy to get up and participate in the second reading of Bill 206, the Alberta Pharmaceutical Savings Commission Act. This is interesting because we are getting some agreement in three ways on what's being proposed by the third party. I'm interested because some of the things that are suggested in here exactly reflect the position of the Alberta Liberals. In the document that we created called *Creating a Healthy Future* our policy position 22 is to "institute a more extensive public pharmacare program, based on models in other Canadian provinces, to help curb rapidly rising pharmaceutical costs and to ensure proper access to medications." Our policy 23 is to "work more actively, in co-operation with the federal government and the other provinces, to test and evaluate new drugs and medical technologies."

So I think that we seem to all be agreed that we do need to do something, that there is a need to contain costs and to be reasonable about how much we're paying for pharmaceuticals, but I want to hasten to add here that we also have to be careful to balance that. Yes, pharmaceuticals and technology are the fastest rising areas in health care today. That's where all the money is being spent, and that's where all the new money is being spent.

We also need to balance that. I mean, we now have drugs that enable people with chronic illness, for example, to go out and live a fairly normal life: to work, to pay taxes, to raise a family. Before, they would have been in care for a good part of their life and, certainly, would have likely been in a care facility with all of the accompanying costs both to the individual and to the taxpayer that are ensued therein. So you balance that, and often there is a cost savings that we gain from the pharmaceuticals as well as . . . I'm going to stop here and say that health care shouldn't just be about the money. It should be about the health. If we are able to achieve better health for our citizens through the use of pharmaceuticals, then I would encourage both my colleague in the opposition and the minister of health to seriously pursue that.

Now, one of the interesting things is that of the other programs that are under consideration right now, and I'm thinking specifically of B.C., if I'm right, all of them contain some kind of copayment or advanced deductible with their pharmaceutical programs, yet the National Forum on Health from their 1997 document had recommended that there be – and they have a particular phrase for it – first-dollar coverage; in other words, there would be no deductible or no copayment right from the first penny of a cost on a pharmaceutical. People would have coverage for it.

**4:10**

I'm interested that we always seem to feel that, well, if people pay for something, then they'll recognize the value of it. But, Mr. Speaker, no study has actually ever shown that. What it shows us is that people with limited means and lower income or who are receiving some kinds of government assistance just don't expend the money in the first place because they don't have very much of it. What we end up with is their conditions becoming worse, more chronic, and more expensive by the time they actually do enter the system. There's nothing that ever shows us that, you know, making people pay something up front for a health service or a pharmaceutical in this case actually saves the system money because if the person doesn't spend the money, they just end up being a far more expensive patient in the long run.

So I'm interested in supporting my colleague from the third party in what he is proposing here. I want to talk about the idea of the reference-based drugs, or the generic-only drugs, which is another thing that's been looked at to try and save money. We would

basically say: "Here's what the system will pay for. Here's the generic drug cost." It becomes the reference. I'll just pick numbers out of the air for the point of this argument. Let's say that pill costs a dollar through the generic one, so the government says: "Okay. That's the reference, so we will pay a dollar for this kind of a drug." Now, if you want to have the name brand drug or a different version of the drug, and it's \$1.25 or \$1.50 or \$10, you pay the difference, but the government or the Blue Cross or the assistance program or the health care insurance or whatever is only going to pay the buck.

I think for a lot of people that does work, but we always have to have an appeal system in place. I have to say that the appeal system can be onerous because we have a system something like this in place in Alberta right now. I've had constituents come forward and say: "I'm being forced to take this generic drug, and it doesn't work for me. It makes me sick." Well, the first couple of people you phone, everybody goes: "No, no, no. They're all exactly the same. That's the point of the generic drug. It's exactly the same. It's not brand name, and they're exactly the same."

Well, you actually start to dig and you say, "What else is in this drug?" Yes, indeed, other things can be in with it. The active drug is the same between that pill and other pills, but they can put other stuff in with the drug that can affect people, and that can differ between the original generic drug and others. Also, the base, for want of a better word, can be different from pill to pill. Where you have people, for example, that are allergic to animal products, they can't have the gelatine pills because that's usually some kind of animal gelatin. It would make them sick, so they wouldn't be able to take that pill. They'd have to find the same drug in a different kind of form, like a tablet. It takes you an awfully long time to work your way through that system, finding out what the differences are and then campaigning on behalf of your constituent to make sure that they can actually get the drug that works for them and doesn't make them sick.

It's important to have the appeal process in place, number one. But, number two, we need to be aware that in fact generic drugs are not all exactly the same. There is a difference, and we need to make sure that that process is not onerous. My office had to spend an awful lot of time on that. I'm thinking of a couple of cases where that happened, and we knew how to do it. If the individuals had been on their own, they may not have been successful at all, or it would have taken them even longer.

The other thing that I think is interesting here in what's proposed in the member's bill is recognizing that all levels of government need to come together and work on this one. I would say that particularly around the issue of bulk buying it becomes really important. There's an opportunity for us to learn on best practices and evidence-based decision-making from other provinces, to work with other provinces, and I would also really encourage looking at a bulk buying process, which is in fact anticipated in this bill.

One hesitation that I have here – not specific to what's in this bill, but I see it repeatedly – is that when you talk about establishing a commission, the question is always: who chooses the people that sit on the commission and by what criteria are they chosen? That is how things get skewed. I'm sitting in this House looking across the way at people who are experts in that and who can basically produce any result they want by the people that they appoint to the commission or encourage to apply or facilitate or however you want to phrase that. You know, when that deck gets stacked, it's going to produce a certain result. So I'm always concerned in getting a very clear criteria of how people are chosen and, frankly, who decides because those two factors make a huge difference.

The other thing, just as a part of this whole idea of going to generic drugs and bulk buying. A long time ago I worked for the

Licentiate of the Medical Council of Canada. [Ms Blakeman's speaking time expired] I'll have to wait until Committee of the Whole.

Thank you.

**The Acting Speaker:** The hon. Member for Drayton Valley-Calmar.

**Rev. Abbott:** Thank you, Mr. Speaker. It is a pleasure to rise in this House and join the debate on Bill 206, Alberta Pharmaceutical Savings Commission Act. The Member for Edmonton-Highlands-Norwood has brought forward a bill which he feels would have the effect of containing the rising costs of prescription drugs. Given the current increases in health care spending, this sounds like an initiative worth looking at. However, upon closer examination of the bill it is quickly realized that the only thing this bill will accomplish is to waste taxpayers' money, setting up a committee to examine issues already being addressed by our very capable Minister of Health and Wellness, as we've just heard.

We are only beginning to debate this piece of legislation, Mr. Speaker, and it is already obsolete. The true irony of this situation is that just a few short months ago the Member for Edmonton-Highlands-Norwood was calling the government caucus a bunch of dinosaurs unable to keep up with the times. While the Gary Larson cartoon that the member referenced attributed the extinction of dinosaurs to smoking, it is very possible that the extinction of the NDP caucus will be due to being chronically out of date.

Mr. Speaker, Bill 206 outlines what the role of the proposed Alberta pharmaceutical savings agency, or APSA, would be. However, if you look at the five primary functions of this proposed organization, it's easy to see that these roles are already being filled by the Department of Health and Wellness. For example, the second function of the APSA would be to achieve savings by implementing reference-based pricing and least-cost alternative methods for drug prescriptions.

Now, the least-cost alternative price is the lowest unit cost for a drug product which is interchangeable with another. For example, it's the difference between purchasing a bottle of Aspirin or the generic brand of acetylsalicylic acid. Both drugs in the bottle are exactly the same; it's just that one is cheaper. Under least-cost alternative the cheapest product would be used to fill a prescription.

Mr. Speaker, Alberta has utilized the least-cost alternative system since 1993. For over a decade this method has been in use in this province, yet Bill 206 seeks to implement this measure. I see no reason to create a committee to implement a policy which has been in place for over a decade.

The second part of this function discusses the implementation of reference-based pricing in Alberta. This policy identifies groups of drugs which have a similar effect and then pushes these drugs into a single category. A maximum price is then determined for each category, and only that cost is paid. If the drug prescribed costs more, it falls to the patient or their private insurer to pay the balance.

Now, this policy is currently being used in several other provinces, including British Columbia and Saskatchewan, but not in Alberta. The reason for this is that Alberta Health and Wellness is currently monitoring the impact of this policy in other jurisdictions to see if it's a good idea for Alberta. Again, the actions suggested by Bill 206 do nothing but duplicate work already undertaken by the ministry.

Mr. Speaker, this is only the tip of the iceberg. The rest of this bill is more of the same: creating a committee to duplicate work already being addressed by a ministry. This would not appear to be a way to contain the rising costs of health care.

4:20

Mr. Speaker, I do appreciate this opportunity to speak on private members' bills, and as discussed in a meeting earlier today, it's very, very important. Again, I commend the member for having the courage to bring forward the bill. However, for the reasons which I have cited above, I will not be able to support Bill 206, Alberta Pharmaceutical Savings Commission Act, and I would urge my colleagues on both sides of this Chamber to stand with me and vote against this bill.

Thank you.

**An Hon. Member:** Question.

**The Acting Speaker:** It doesn't apply at this stage.

The hon. Member for Edmonton-McClung.

**Mr. Elsalhy:** Thank you, Mr. Speaker. I, too, am very pleased to rise and contribute to the debate on Bill 206, the Alberta Pharmaceutical Savings Commission Act, as sponsored by the hon. Member for Edmonton-Highlands-Norwood. I would like to start by making the statement that rising prescription drug costs are easily explained or attributed to three factors. One, the fact that we have an aging population and people are growing older. Second, these people are growing older with multiple morbidities, or concurrent diseases. They need attention, and sometimes you try to fix one of those afflictions, and then you end up creating a secondary problem, which has to be looked after as well, and it sometimes is a cascade that we cannot intercept or stop. Third, there is also an argument that some of these individuals have unhealthy lifestyle choices and that it might actually aggravate their existing conditions.

My second statement would circle around the fact that newer drugs are typically more expensive because of the R and D costs, the research and development. Some people may not know that out of 10,000 molecules only 20 or so are considered promising. Only one or two of these 20 advance to the advanced or the premarketing phase for potential marketing. It just costs more to get these few new drugs on the market.

Some people even suspect that the escalating cost of pharmaceuticals may be attributed to pharmacists' greed, but today I'd like to take this opportunity to emphasize that this is not the case. This could not be farther from the truth. As a matter of fact, practising pharmacists in the community more often than not reduce or discount their own professional fees to accommodate those patients who may not be able to afford those expensive treatments on their own.

Also, as a practitioner I would like to see a more extensive or wider pharmacare program in this province and maybe potentially across the nation to cover more Albertans for more treatment modalities. An agency like Alberta Blue Cross, for example, should co-operate with this government on developing new plans for Albertans who are not senior citizens or widowers or those who qualify for their nongroup insurance, often referred to as group 1 insurance. Blue Cross and the government should get together and devise a plan to include more Albertans under their umbrella.

This bill is useful for discussion purposes. I question the rationale. Are we here talking about saving money for the government, or are we talking about saving money for average Albertans? Are we concerned that government is paying more for health services, including things like ambulance transfers, hospitalization, and maybe potentially prescription drugs, or are we concerned that the people cannot afford their medications if they're deemed necessary?

If we are, then why not urge the government to eliminate health care premiums, which are a form of tax. The money that is collected

enters into general revenue, and it is not earmarked or set aside to be spent on disease management or health promotion. The millions of dollars collected through the health care premium tax could be put to good use to extend pharmaceutical coverage to more Albertans by lowering premium rates for insurance or by offering incentives to small and intermediate business owners to offer or extend coverage to their employees and their families. What novel ideas, eh?

There has to be some emphasis as well on greater collaboration with the federal government and the other jurisdictions. If this province is willing to go that way, then maybe we should discuss it with the other provinces and the federal government to see if a nationally accepted standard model is adopted and if it could be implemented with ease. We have to look at the best decisions for these patients, and we have to look at the best practices and the best evidence that is out there. Keep in mind, again, that our goal is to promote health and to alleviate suffering, not to cut the bottom line.

Prescription drugs are already subsidized in Canada, and this is emphasized and exemplified by the fact that the U.S. government and some jurisdictions there are buying prescription drugs from Canada because drugs cost less in Canada. Someone told me that the pharmaceutical companies in Canada or throughout the world operate through a, quote, charge what you can get, end quote, model. Maybe this is where the federal government comes in. They have to come in and say: you only charge what's fair and what's reasonable so that these companies can recuperate their R and D costs and not exaggerate their profit margins.

We also have a 20-year patent protection in this country, which basically means that generic drug companies cannot copy those molecules for 20 years. When I was a student, Mr. Speaker, I remembered the debate. The debate was extended from 10 to 17 to 20 years, and there was a lot of resistance because now people would have to wait longer for those newer drugs to become generic. There was the argument that R and D companies actually get their money back in about 18 months, and then they have 18 and a half years of pure profit.

The idea is useful, the idea is good, but we have to have safeguards to clarify the role of this agency once it's established, if it's established, and also make sure that reference-based pricing doesn't supercede judgment and good calls on the part of physicians and also on the part of pharmacists when they get prescribing rights.

Concerns were raised with reference-based pricing, that it would restrict drug choice and it would limit access to new medications by encouraging the prescription of older medications because they just tend to be cheaper. It's also a disincentive or a deterrent for drug companies to develop new modalities because they don't know when they'll be covered, and they don't know if they'll be covered, so why invest in research. Also, I don't think it would reduce the overall drug expenditure because people are growing old and people are getting sicker anyway. We can probably arrest it temporarily, but you probably cannot look at the same effect over the long term.

I don't question the motive behind this private member's bill, but we just need more clarification. If we can do it with the federal government and the other provinces, then I'd probably have more support for it.

Thank you, Mr. Speaker.

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

**Dr. Pannu:** Thank you, Mr. Speaker. I rise to speak to Bill 206, Alberta Pharmaceutical Savings Commission Act, sponsored by my hon. colleague the leader of the third party opposition and MLA for Edmonton-Highlands-Norwood.

I've been listening to the debate very carefully. The debate seems

to range far and wide, while the bill is very specific and attempts to address two things: the concern that this government has had over a long period of time about the so-called unsustainability of the health care system unless the costs of the system are controlled, and secondly, the concern that national organizations such as the Conference Board of Canada have expressed and put their finger on, the components of the health care system that seem to be experiencing a very, very rapid escalation of costs. To give you an example, the Conference Board of Canada has identified drug costs in Canada as the fastest growing component of the Canadian health care system during the last 25 years. So it's a problem that's chronic, a problem that has been growing, a problem that needs immediate response to it.

We know that there are solutions. We're not trying to invent a wheel or something absolutely new. We know that some practices have been adopted elsewhere in other parts of the world, and they have indeed worked. New Zealand is a case in point. Many of the questions that have been raised by members in this House, from both sides of the House, have already been addressed quite effectively over the last 10 years by the practices related to how to control the drug costs as they have evolved in New Zealand. It's about time that we learned, paid attention to those practices, those policies that have been developed there and take advantage of them.

4:30

For the benefit of the House and the members of the House I would draw attention to the NDP opposition's document called The Alberta Pharmaceutical Savings Agency, a document that we released in October 2005. It's very, very current and is accessible on [www.newdemocrats.ab.ca](http://www.newdemocrats.ab.ca). Not only the members of the House would like to have access to this information, but many Albertans who are going to watch the discussion would like to have access to the facts and detail, and that's where they're to be found.

Mr. Speaker, the Conference Board of Canada has drawn attention to the fact that this is not a recent problem. It is a problem that's been growing for the last 25 years. The document to which the Conference Board of Canada draws attention is called Understanding Health Care Cost Drivers and Escalators, and it's March 2004. Payment for prescription medication accounts for approximately 80 per cent of all drug spending in Canada, representing an estimated \$14.6 billion in 2002. In Alberta alone prescription drugs cost us about \$1.6 billion a year, and they're increasing at the rate of 15 per cent every year. Fifteen per cent of \$1.6 billion is a large sum of money, that we could save if we could bring it down to a level which is comparable to the New Zealand level, and I don't see why we can't do it. If it can be done in New Zealand, it certainly can be done here. We can bring it down to about a 3 per cent annual increase as compared to the current rate of increase, which is 15 per cent.

The Alberta health care system has certainly not been immune to this chronic increase. Twenty years ago spending on drugs represented in this province only 8 per cent of the health spending. In 2005 Alberta spent \$1.6 billion, as I said, on prescription drugs, an expenditure that represents 11.5 per cent of total health expenditures for that year. So from 8 per cent to 11.5 per cent, a huge increase over the last 20 years.

This bill is designed specifically to address one particular facet of the health care costs in this province, the ones that have to do with the prescription drug costs. When it comes to eliminating health care premiums, no doubt we should eliminate them. The policy of the NDP opposition in this House has been that that's an unfair tax, and it should be eliminated as soon as possible. But it doesn't address the question of how to contain and reduce the concurrent

costs of health care provision, whether they come from public dollars or from private dollars.

While the Conservative government here has claimed to examine the best practices of jurisdictions from around the world, they have made no progress in incorporating innovative measures being used elsewhere to reduce rapidly escalating costs of drugs. The Member for Drayton Valley-Calmar did talk about, you know, how this government has been already busy trying to cut costs, but if that is the case, the evidence doesn't show up in the rate of increase of the pharmaceutical drug costs that this province experiences from year to year. The latest figures indicate that the cost increase here is close to 15 per cent. So clearly the policies and the practices that the government has in place are ineffective in making a dent on the rate of increase in the costs of pharmaceutical drugs. Both we as government and Alberta citizens as the users of the drugs jointly pay for these increasing costs.

We need to act and act immediately and urgently on this matter. It's not a partisan issue. I was encouraged by what the minister had to say here. She says that she'll pay attention to the provisions of this bill.

Mr. Speaker, I would like to draw attention to the facet of the bill which deals with the composition of the commission. The hon. Member for Edmonton-Centre expressed some concerns about who gets appointed to these commissions. I think it's important that we put on record, as we are discussing this bill, how this commission will be appointed. Will it be charged to do the actual work, hold public hearings, and listen to Albertans and specialists?

- (3) The people appointed to the Commission must consist of
  - (a) a chair who must be
    - (i) a judge or retired judge of any court in Alberta, or
    - (ii) a person whose stature and qualifications are, in the opinion of the Lieutenant Governor in Council, similar to that of a judge;
  - (b) one person who is not a Member of the Legislative Assembly nominated by the Leader of Her Majesty's Loyal Opposition;
  - (c) one person who is not a Member of the Legislative Assembly nominated by the leader of a second opposition party in the Legislative Assembly;
  - (d) one person nominated by the Alberta College of Pharmacists.

So pharmacists will be represented on this commission. I want to assure the Member for Edmonton-McClung that the experience, the expertise, the opinions of the pharmacist community will not go unrepresented and unheard if this commission is constituted.

- (e) one person nominated by a certified union representing health care workers in Alberta.

A very large number of Albertans work to provide these health care services, and they certainly should find a place on this commission.

- (f) the dean or other faculty member of a Faculty of Medicine [from Alberta universities].

We've got two faculties of medicine in this province. Surely, we should have the faculties of medicine academic community represented on this commission.

- (g) one person nominated by the Consumers' Association of Canada, Alberta chapter;
- (h) one person nominated by the Alberta Branch of the Canadian Mental Health Association;
- (i) one person nominated by the ABC Benefits Corporation;
- (j) 3 people nominated by groups representing the interests of seniors, post-secondary students, persons with disabilities, persons with mental illness and recent immigrants to Canada.

Now, this last provision for membership on the commission, Mr. Speaker, is very, very significant. My hon. colleague from



Edmonton-Centre drew attention to the fact that seniors, who are increasingly users of prescription drugs and have to use them on a more regular, ongoing basis than the rest of us, would have concerns about drug choice. Surely, their representation on this commission will alleviate the concern that the member has expressed here.

Thank you.

**The Acting Speaker:** The hon. Member for Lacombe-Ponoka.

**Mr. Prins:** Thank you, Mr. Speaker. It's my pleasure, also, this afternoon to rise and join the debate on Bill 206, the Alberta Pharmaceutical Savings Commission Act, sponsored by the Member for Edmonton-Highlands-Norwood. Like the hon. Member for Edmonton-Highlands-Norwood I, too, am concerned about the rising costs of prescription drugs. However, unlike the hon. member I do not believe that Bill 206 will do anything to help stem the rising costs of pharmaceuticals.

The proposed commission would be charged with a duty to implement strategies to reduce costs through reference-based pricing and least-cost alternatives. I agree with the intent, but I have a couple of concerns with this statement. The first is that the commission's hands are clearly tied. The mandate of the commission is not to investigate methods of reducing drug costs but to implement a strategy. No consideration is given to the best way of reducing costs as the commission has already been directed on how to act. Mr. Speaker, that is backwards. It is like beginning your research with an answer and working backwards to find an appropriate question. The proper method of inquiry is to discover what the problem is, then research the best way to solve the problem, and then develop a strategy to implement it. However, the NDP appear to believe that you should put the cart before the horse.

Mr. Speaker, this type of one-sided, ideological approach to health reform is becoming commonplace from the opposition. For example, when the hon. member's party wanted to conduct public consultations – and I use that word loosely – they made sure to go to areas where they would hear what they wanted to hear. Their tour of Alberta never left the urban areas of the province, completely discounting the views of rural Albertans.

Let's contrast that to the approach that the hon. minister of health took in her attempt to initiate health reform. The minister held an international health symposium that featured experts from around the world. [interjections]

4:40

**The Acting Speaker:** Hon. members, the hon. Member for Lacombe-Ponoka has the floor. The same courtesy was extended to anybody else who spoke before, that members were quiet and listened to the debate.

The hon. Member for Lacombe-Ponoka.

**Mr. Prins:** Thank you, Mr. Speaker. The Minister of Health and Wellness held an international health symposium that featured experts from around the world in the field of health policy. The experts came from diverse backgrounds and presented a balanced, nonpartisan approach to health reform. The government was interested in what would actually work and not what was ideologically expedient.

If the hon. member recalls, even he was, and I quote, pleasantly surprised that there was a mix of views and experts at the symposium. The conference did not contain, quote, all right-wing jerks, as the hon. member originally expected. In fact, the conference contained many important messages that provided the government with balanced advice that will actually help improve the health care

system. Albertans prefer honest, thought-out solutions. When you are constructing public policy, Mr. Speaker, it is important that you look at all options and not just those which suit your own short-term political goals.

Mr. Speaker, that brings me to my second concern with Bill 206. As I mentioned earlier, the hon. member said that during a symposium he learned a great deal, but perhaps he stepped out of the room for a moment and missed the presentation by Mason Durie. Mr. Durie indicated that one of the biggest benefits of the symposium was the ability to discuss the system as a whole, which was very important. Mr. Durie indicated that the system is only effective if it leads to better health outcomes. Bill 206, however, does not focus on the system as a whole. Bill 206 attempts to segregate pharmaceuticals from the health system.

You cannot take one piece of the system in isolation and attempt to fix the problem. Cheaper drugs mean nothing to a rural farmer in Alberta who is unable to find a doctor in his community or to the transplant patient who is waiting for an organ. Cheap prescription drugs will not help people get hips replaced faster. You cannot take a piecemeal approach to health reform.

Mr. Speaker, in formulating this legislation, the hon. member seems to have ignored the advice given by Janice McKinnon, a former NDP cabinet minister in Saskatchewan. Ms McKinnon indicated that the problem with health reform had been that politicians focus on short-term issues and not long-term improvements in health. With Bill 206 the hon. member has clearly decided to set aside long-term systemic reform, like the Minister of Health and Wellness is proposing with the third way. He is actually going for a quick headline in the paper in shameless self-promotion.

Mr. Speaker, for many reasons but especially because of the two that I've outlined above, I cannot support this inadequate legislation, and I would urge all others to do the same. Thank you.

**The Acting Speaker:** The hon. Member for Calgary-Shaw.

**Mrs. Ady:** Thank you, Mr. Speaker. I'm very pleased to have been given the opportunity to speak on the Alberta Pharmaceutical Savings Commission Act, and hopefully I'll get to do more than one line. I feel that the idea is a good one. However, the provincial government is already working to ensure that Albertans are protected from rising pharmaceutical costs.

Mr. Speaker, Bill 206 suggests that the commission be responsible for the development of strategies in order to reduce direct marketing to physicians by pharmaceutical companies. Although this may in fact be an admirable goal, it is something the provincial government is really limited in doing. Currently the federal government regulates direct-to-consumer advertising. It is Health Canada under the authority of the Food and Drugs Act that regulates the advertising of pharmaceuticals.

The role of Health Canada is to set regulations and such on the standards for drug advertising and to inform the Pharmaceutical Advertising Advisory Board what these standards are so that they can put them into their own code. This board looks at advertising by pharmaceutical companies before those in the field of health care are exposed to it. However, manufacturers' submissions of their planned advertising is done voluntarily.

Under the Food and Drugs Act the rule is basically that an ad may not mention both the name and the function of a drug. You can mention one or the other in the ad but not both. There also has to be a break between an ad mentioning the name of the drug and another illustrating its functions. They're also supposed to be reasonably different so that the consumer cannot connect the two. This is how the advertising of pharmaceuticals currently works. It's not perfect.

There are several instances where ads have run that are in violation of the act.

Why, then, bother creating yet another board or in this case a commission to be in charge of advertising to physicians? The Pharmaceutical Advertising Advisory Board obviously does not have a great deal of power when it comes to monitoring the advertising aimed at physicians by pharmaceutical companies. Why create another group like the PAAB on the provincial level?

Of course, we all know that these ads affect people, that they are more likely to ask their doctors for a drug brand that they've seen advertised. There are numerous studies that show this. We also know that physicians are affected by advertising from drug manufacturers. There was a study conducted by a researcher at the University of Toronto that found a link between the amount of money spent advertising antidepressants to doctors in Canada and the number of prescriptions written for them. We know this. However, as much as changing the rules for the advertising done by pharmaceutical companies may save money, the commission as proposed will not be effective. Therefore, I cannot support this bill.

Thank you, Mr. Speaker.

**The Acting Speaker:** The hon. Member for West Yellowhead.

**Mr. Strang:** Thank you, Mr. Speaker. It is with great pleasure that I rise today to contribute to the debate on Bill 206, the Alberta Pharmaceutical Savings Commission Act, sponsored by the Member for Edmonton-Highlands-Norwood.

The cost of pharmaceuticals is rising very quickly. Recently we have seen an increase between 13 and 17 per cent annually. Obviously, these increases are not sustainable, and we'll need to address them in the context of health reform. I'm sure that the minister will address the rising costs of drugs as she progresses in the third way evolution.

Mr. Speaker, Bill 206 is problematic because it's repetitive and ineffective. For health reform to be effective, it must be system-wide. You cannot take one component and try to fix it in isolation. The health system is interconnected, and change in one section will affect others.

The international health symposium taught us many valuable lessons about how we should proceed with health reform. One of the most consistent messages that we heard was about the need to focus on quality. I know that the member learned a lot at this symposium. I also am confused about why this bill does not focus on quality. Everything that the member has suggested seemed to focus on cost control. There is more to health reform than curbing rising costs. We have to ensure that the health of Albertans is protected through our processes of health reform. The approach the minister is undertaking, the third way, is not only looking to see that costs are controlled but that quality is enhanced.

I have been worrying that if Alberta were to adopt reference-based pricing, Albertans would actually end up paying more for their prescription drugs. A paper prepared as part of the University of London health policy review in 1995 found that in European countries with reference-based pricing programs it accelerated the growth in prices compared to those countries without reference-based pricing. In 2005 a review of reference-based pricing in the pricing system in British Columbia, cited by a study conducted at McMaster University, found that some of the savings attributed to reference-based pricing was a result of costs being shifted from government to patients.

I am surprised the member would seek to undertake health reform that would result in a system that would cost Albertans more money. If the drugs that Martha and Henry are currently using are not

chosen as reference drugs, then Martha or Henry would have to pay a premium the next time they go to refill their prescription.

The member also suggested in section 3(2)(a) of Bill 206 that the regional health authorities co-ordinate the purchasing of prescription medications that they distribute. I think this idea is fantastic. It's so good, in fact, that the minister has informed me that the regional health authorities are already doing it. The purchasing of prescription medication is co-ordinated by the Capital health region through the use of a group tendering process. In addition to this, the Alberta Cancer Board makes sure of sole-source tendering for cancer drugs.

4:50

In addition to co-operation in the purchasing of pharmaceuticals, patented drugs are already controlled by the federal government. The Patented Medicine Prices Review Board determines a range for patent medication by using a median price for drugs based on seven comparative countries. This means that there are already measures in place to help control costs of patented drug medication.

Mr. Speaker, as I mentioned above, I cannot support this bill because it is both ineffective and repetitive. Health reforms should not solely be based on cost control, as the member is promoting in this bill.

Thank you, Mr. Speaker.

**The Acting Speaker:** The hon. Member for Edmonton-Highlands-Norwood to close debate.

**Mr. Mason:** Thank you very much, Mr. Speaker. I'm pleased to be able to rise and conclude debate on Bill 206. I want to respond first of all to some comments that have been made by some other hon. members.

The hon. Member for Lacombe-Ponoka, who began his tour of public input on our long-term care by saying that everything was fine with our long-term care system, has no lessons to give to the Alberta NDP on having an open mind or listening to the public; I can say that.

The hon. Member for Drayton Valley-Calmar made somewhat more substantive criticisms, and I'd like to address them. He basically gave the argument that everything that we're proposing in this bill is already being done by the ministry of health, and that echos the comments of some other members of this Assembly. It certainly echos comments made by the minister herself after we announced this proposal. I do appreciate that the minister took the time to meet with me prior to bringing this forward because the question I had for the minister is exactly that: what is it that you're actually doing in this area compared to what we're proposing to do? I found from that meeting that it's quite different.

The government seems to be working on the area of orphan drugs, or drugs for orphan diseases. Those are diseases that are rare, with very expensive drugs that are not profitable often for pharmaceutical companies. They are looking at that. There seems to be little action on the national front other than doing a little bit of information gathering across the country. In fact, Mr. Speaker, based on my understanding of the discussion I had with the minister, the government is not doing many of the things that are proposed here.

We never claimed in this bill that all of this was new. In fact, some use of generics and lowest price alternatives is already built into the Alberta health care system, and we acknowledge that and have from the beginning. It's the bulk buying, Mr. Speaker, if we want to get down to it, that is going to produce the greatest savings. Using the combined negotiating power of the entire province, and hopefully of the entire country, to negotiate with drug companies to get bulk buying costs for drugs will serve to dramatically decrease the drug bill that we pay.

Now, I don't know about other members opposite, but when I go and buy tomato sauce at the grocery store, I buy big cans, not a bunch of little cans, and that's exactly the principle that that is applying. It's just common sense. The fact that this has not been applied systematically to pharmaceutical purchasing for our health care system speaks to the need for this bill.

Mr. Speaker, a lot of members opposite have said: well, you can't deal with just one piece. What we're attempting to do through this bill, I think, is to show two things. One is that there are ways that we can reform the public health care system in order to control costs, and this is being done elsewhere. We can strengthen our public health care system and make it more cost-effective without getting into private health care delivery. The second thing we wanted to show is that the government is not interested in doing so. By the comments that have been made by the members opposite today – some of them, I think, show considerable ignorance – I think we've demonstrated, in fact, that the government is not interested in making the public health care system work in this province.

They are interested in using increasing costs as an excuse to foist a private, two-tier health care system on the people of this province, which ultimately will cost considerably more than the current health care system. The United States, which has the most privatized delivery system in the world, has over double the cost per person under its health care system as we have in Canada. There are over

40 million Americans without coverage, and that is the direction that this government wants to take us whether they say so or not, whether they hide behind the slogan of a third way, which is, of course, really just the same old private two-tiered care way.

Mr. Speaker, thank you for allowing me to respond to this debate. I urge all members to support Bill 206. Thank you.

[Motion for second reading of Bill 206 lost]

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

**Mr. Zwozdesky:** Thank you, Mr. Speaker. You know, on the Order Paper the next order of business could likely be Bill 207. However, I think all members here are well aware that there is another bill that has already been confirmed in its principles that is at second reading in the House, and it has the same thrust and spirit and gist as Bill 207. Therefore, Bill 207 would not come available under the normal business of the House. I think all members here understand that.

On that basis, then, and since there is no early consideration that anyone here is aware of to go to committee on Bill 204, I would move that we call it 5:30 and adjourn until 8 this evening.

[Motion carried: the Assembly adjourned at 4:58 p.m.]

