

Legislative Assembly of Alberta

Title: **Wednesday, March 8, 2006**

1:30 p.m.

Date: 06/03/08

[The Speaker in the chair]

head: **Prayers**

The Speaker: Good afternoon.

Let us pray. Grant that we the members of our province's Legislature fulfill our office with honesty and integrity. May our first concern be for the good of all our people. Let us be guided by our deliberations this day. Amen.

Please be seated.

head: **Introduction of Visitors**

The Speaker: The hon. Minister of Municipal Affairs.

Mr. Renner: Thank you, Mr. Speaker. I'm pleased to introduce to you and through you to all Members of the Legislative Assembly four individuals who are contributing in a very significant way to municipalities in Alberta. These individuals are members of the newly established Minister's Council on Municipal Sustainability. The sustainability of municipalities is a major priority for this government. To that end I look forward to continuing our work together.

I want to thank these representatives for coming to the Legislature today. Accompanying the individuals that I will be introducing are several of their key staff members who also are contributing in a significant way to the minister's council. They're seated in the members' gallery, and I will ask them to rise and accept the warm welcome of the Assembly after I've introduced them. From the city of Edmonton Mayor Stephen Mandel; former Member of the Legislative Assembly and president of the Alberta Urban Municipalities Association, AUMA, Mr. Bob Hawkesworth; the president of the Alberta Association of Municipal Districts and Counties, Mr. Don Johnson. And please recognize the mayor of Calgary, Mr. Dave Bronconnier. I don't see him there, although he might be hiding around the podium. I know he's joining us for meetings later on this afternoon.

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

Mr. Lukaszuk: Thank you, Mr. Speaker. Indeed, it's a pleasure for me to introduce a person who is very familiar to most members of this Assembly. I'm sure you hold him in memory as well, Mr. Speaker. He has made many of our debates in this Chamber very colourful. He was my seatmate and officemate and sat in this Chamber from 2001 to 2004. That's Mr. Brent Rathgeber, former MLA for Edmonton-Caldor. I would ask him to rise and receive the traditional warm welcome of our Assembly.

head: **Introduction of Guests**

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

Mr. Stevens: Thank you, Mr. Speaker. On behalf of the Minister of Education it's my pleasure to introduce to you and through you to members of the Assembly some of the very best and brightest students in all of Edmonton, 64 grade 6 students from Blessed Kateri elementary school, located in Edmonton-Mill Creek, who are accompanied by their teachers Ray Brooks, Robert Burghardt, and Darlene Payne. I'd ask them to please now rise and receive the traditional warm welcome of the Assembly.

The Speaker: Hon. Member for Edmonton-Castle Downs, do you have another one?

Mr. Lukaszuk: Yes, Mr. Speaker. Thank you. On behalf of our Minister of Advanced Education and MLA for Edmonton-Whitemud it's my pleasure today to introduce to you and through you to members of this Assembly 26 enthusiastic grade 6 students along with their teacher, Ms Colette Coumont, and parent helper Ms Renée Brown from Archbishop Joseph MacNeil school in the constituency of Edmonton-Whitemud. They're here today to observe and learn with interest about our government. They are seated in the public gallery, and I'd ask them all to rise and accept our traditional warm welcome.

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

Mr. VanderBurg: Thank you, Mr. Speaker. It's a pleasure to rise and introduce to you and through you to everyone here in the Assembly today 20 special guests from my constituency. The ECHO Society, which stands for Empowering Citizens for Health and Opportunity, is a wonderful organization that provides rehabilitation services to Albertans in the communities of Whitecourt, Mayerthorpe, and Fox Creek that have developmental and physical disabilities as well as those caused by brain injury. Along with the Minister of Restructuring and Government Efficiency I had the pleasure of joining this very vibrant group of Albertans for a photo earlier this afternoon. I'd ask my guests to stand and receive the traditional warm welcome of this Assembly.

Ms Evans: Mr. Speaker, it's a distinct pleasure and honour today to introduce some dignitaries from the Aga Khan University Hospital in Nairobi, a nondenominational institution. The education provided at this university hospital is second to none in recognizing men, women, and people of all different ethnic groups and persuasions. They are meeting today with three of our public organizations – Capital Health, the Alberta Cancer Board, the University of Alberta – to create a partnership and relationship to deliver health services in Nairobi, Kenya.

In the gallery are Dr. Mushtaq Ahmed, the chief physician at Aga Khan University Hospital and the associate dean of Aga Khan University; Galeb Gulam, a senior executive and the chief financial officer at Aga Khan University Hospital in Nairobi; Dr. Farrok Karsan, who is based at the Aga Khan University Hospital in Karachi, Pakistan, and is also assisting the Nairobi hospital. It's wonderful to go on the web and see what they are doing in Pakistan as well. From Capital Health in Edmonton very familiar faces: Allaudin Merali, the executive vice-president and chief financial officer; and one of my personal favourites, vice-president Brian Hlus. Would our guests please rise and receive the warm welcome of the House.

The Speaker: The hon. Member for Lethbridge-East.

Ms Pastoor: Thank you, Mr. Speaker. I rise to introduce my guest, and I have to assume that he might be sitting behind me because I can't see him, so I'll go ahead. I'd like to introduce to you and through you an Albertan who has cared very deeply and has spent inordinate amounts of his personal time working on the plight of those in continuing care, and I'd ask for the traditional warm welcome of this home – House. I've been here too long. My guest is Robert Warden.

Thank you.

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

Mrs. Mather: Thank you, Mr. Speaker. It is a pleasure to rise and introduce to you and through you to all hon. Members of this Legislative Assembly a group of concerned daycare owners. They are with us today in the gallery to show their support for the national daycare program. I would like to ask them to please rise as I introduce them: Suzanne Vokurka, Gillian Jobs, Edda Hunter, Connie Nye, Zsolt Maraitar, Tammy Adams, Ellie McEvoy, and Liz Barker. Please join me in extending the traditional warm welcome of the Assembly.

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

Mr. Chase: Thank you very much, Mr. Speaker. It is a pleasure to rise and introduce to you and through you to all hon. Members of this Legislative Assembly a group of concerned daycare owners. They are with us today in the gallery to show their support for the national daycare program. I would like to ask them to rise as I introduce them: Janet Albury from Wee Care Family Day Homes in Fort Saskatchewan, Lovena Satdeo from Edmonton Family Day Homes, Debbie Pageé of the North Edmonton Family Day Home Agency, Natasha McCartney from the town of Beaumont, Natalie Wezler, also from the town of Beaumont, Charlene Ellison of Northalta Family Day Homes out of Edmonton, and another person from the family day homes, Barbara Raliszur. Please join me in extending the traditional warm welcome of this Assembly.

1:40

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

Mr. Mason: Thank you very much, Mr. Speaker. I'm delighted today to introduce to you and through you to this Assembly Kelly Sloan. Kelly is the executive director of the YWCA. Along with other important work, the YWCA Edmonton supports the YWCA of Guyana with resources and expertise. Locally the YWCA Edmonton runs the nonpartisan one woman, one vote program, that encourages women to run for office, to vote, and to work on political campaigns. We are pleased to have Kelly join us today, on International Women's Day, and I commend the work that she and her organization do to empower and aid women in all facets of their lives. I would now ask that she rise and receive the traditional warm welcome of this Assembly.

The Speaker: Hon. members, as a footnote today with the presence of the mayor of the city of Edmonton, this canopy that surrounds the Speaker's podium was a gift from the people of Edmonton to the Legislative Assembly of Alberta and the province of Alberta on the 75th anniversary of the province of Alberta in 1980. We're now arriving at the 100th anniversary of the Legislative Assembly of Alberta, and I'm pleased to advise all members that His Worship is working with us on another project that will enhance the quality of this room and this Chamber as we go through 2006.

head: **Ministerial Statements**

The Speaker: The hon. Minister of Community Development.

International Women's Day

Mr. Mar: Thank you, Mr. Speaker. For the past 28 years Canada has joined the world on March 8 to commemorate International Women's Day. As we all in this Assembly consider the impact that women have had on our lives, we should come to understand the

immense significance of today. Expressing this importance is a quote often attributed to a great Chinese leader, who said, "Women hold up half the sky." It is a call for us to respect and value women here and around the globe.

In Alberta a number of events will honour this special occasion: a candle-lighting ceremony in Banff, a documentary film presentation in Calgary, an International Women's Day round-table at the University of Alberta women's centre, a celebration dinner hosted by the Edson and District Community Learning Society, and a discussion on international perspectives on women and leadership in Lethbridge. Mr. Speaker, there are many more events around the province and more going on than simple celebrations.

Canadians will mark the 25th anniversary of the United Nations convention on the elimination of all forms of discrimination against women. This international treaty pledges equal rights, opportunities, and responsibilities for men and women. Alberta will join other Canadian governments in New Brunswick this September for a national meeting to discuss women's issues, including the United Nations treaty. This will be the 25th anniversary of our national collaboration.

Mr. Speaker, on this International Women's Day I ask members of this House to join me and communities around the province in celebrating, acknowledging, and supporting the achievements of women in Alberta and around the world.

Thank you, sir.

The Speaker: The hon. Member for Edmonton-Centre on behalf of the Official Opposition.

Ms Blakeman: Thank you very much, Mr. Speaker, and thank you for the opportunity to respond to the ministerial statement on International Women's Day. I've reviewed some of the statements I've made in this House about March 8. I've talked about the status of aboriginal women, violence against women, child care, women in poverty, funding for women's shelters, operational funding for sexual assault centres. Today in the paper I read about the Two Steps Forward, One Step Back movement, in which women seem perennially locked. All that seems a bit grim.

I notice that in a newsletter from the peer program at the Women's Centre of Calgary in Bridgeland in their most recent article they talk about International Women's Day: people recognize the day to demonstrate their intention to keep fighting. And, I would add, to celebrate, which the minister did so nicely.

As the minister noted, the United Nations convention on the elimination of all forms of discrimination against women was ratified by Canada 25 years ago. From this flowed legal and human rights foundations like the Canada Human Rights Act and the Charter of Rights and Freedoms. Both have been integral to improving the status of women in Canada and in Alberta. As we have learned, a gain in status for one group like a rising tide lifts all boats. So, for example, maternity provisions protecting job security for women evolve into parental leave, which benefits all of us. I believe these far-sighted legal tools have protected and empowered women. I'm delighted when a young woman looks blankly at me when I talk about a time before the maintenance enforcement program or having no protection from harassment in the workplace or losing one's job because a woman got married or was pregnant.

The Official Opposition continues to work on issues of economic equality and opportunity. I note that the recent StatsCan report talks about women continuing to be clustered in lower paying, pink ghetto jobs, making 71 per cent of what their male counterparts do even though – and this is a success story – women are exceeding men in literary skills and continuing to increase in achieving university degrees.

I look around this Assembly, Mr. Speaker, and I note that the numbers of women here are going down, not up. What a comment that Rwanda, Mozambique, and Lesotho have a better percentage of elected women than we do.

Much to celebrate. Much to do. Happy International Women's Day.

The Speaker: Will hon. members allow the hon. Member for Edmonton-Strathcona to participate on behalf of the third party?

[Unanimous consent granted]

Dr. Pannu: Mr. Speaker, thank you, and I want to thank my colleagues for this opportunity for me to respond on behalf of my caucus and our leader to the minister's excellent statement today. For over 30 years we have been observing and celebrating International Women's Day. Over that time women have taken important steps forward. Yesterday Statistics Canada released a report showing that women are closing the gap in postsecondary education and workplace participation. Unfortunately, the report also points to a continuing pattern of women earning lower wages than men and having a high risk of living in poverty. This discrepancy is particularly clear for visible minority women. Yesterday the report found that minority women, although they have on the average better education, are earning somewhat less than their nonvisible counterparts.

Women face more immediate threats to their well-being, Mr. Speaker. Last year women's shelters in Alberta accommodated close to 6,000 women and close to 5,500 children who were escaping violent home lives. Sadly, shelters were unable to accommodate another 5,150 woman and their 3,710 children because they were full.

Like for too many Albertans, domestic violence is a particularly personal issue for me. This year marks the 20th anniversary of the murder of my youngest sister at the hands of her husband here in Edmonton. How many of us are trying to help loved ones, friends, families to escape abusive and terrifying family relationships? How many more women and children suffer violence anonymously? We would be remiss if we didn't also pause on this day to remember the Edmonton women who were murdered because their work in prostitution made them easy targets.

I'm also deeply troubled by the growing problem of early sexualization of young girls in our province and in our country. A culture that equates youth with beauty and pressures girls to act as women exposes those girls to serious psychological problems down the road. I applaud the courage and contribution of Léa Clermont Dion, a high school student in Quebec, for initiating a public debate on this issue.

I began my statement by praising the accomplishments women have made, and I want to emphasize the importance of these gains. But major challenges still lie ahead. Lower wages and violence against women and girls are symptoms of a larger problem, Mr. Speaker. As long as women are not full and equal participants in the workplace, in boardrooms, and in Legislative Assemblies, we will only be able to bandage over serious problems. Let's pledge to work together as members of this Assembly to remove the barriers that still exist to women's full and equal participation in social, economic, and political lives.

To conclude, Mr. Speaker, I invite all Albertans to join us in celebrating International Women's Day, celebrating past advances, and committing to fighting for justice and equality for all women.

Thank you very much.

1:50

The Speaker: For the hon. Member for Cardston-Taber-Warner to participate, we'll need unanimous consent.

[Unanimous consent granted]

The Speaker: The hon. member.

Mr. Hinman: Thank you, Mr. Speaker. Every year citizens around the world commemorate International Women's Day. It is one day a year that we recognize the contribution of our women to our society as a whole.

As an Albertan I am proud that our province was one of the first in the British Commonwealth to give suffrage to women. But even before that women led the fight that men seemed to shy away from. Our women in the 1800s and early 1900s were leaders in the fight to clean up society across Canada. Their moral character and social conscience helped to define a generation.

During both World War I and II women went into the workforce to help contribute to the war effort in Canada. Without these great individuals sacrificing their time and talent, we would not have been able to rise up and continue the fight. After World War II their strength continued to grow in the face of societal changes. As women across the world began to evaluate their place in society, they once again made great changes to how our world works. Let me give you some examples of some amazing Alberta women.

Annie Gale first got politically active when she realized that people were forced to buy inferior vegetables from grocers who had contracted with B.C. and did not sell Alberta products. Her annoyance over this single issue grew into a life of service in public. Her activism in Calgary society would eventually lead to her running and winning a spot on the Calgary city council. Elected in 1917, Annie would be the first woman elected as a municipal councillor in the British Empire and the first woman to serve as an acting mayor.

Ethel Knight Wilson was one who changed Alberta. Ethel was the second woman named to the provincial cabinet. As a Social Credit MLA and minister of labour she did a great deal to help workers in our province. Ethel also brought forward the legislation which created the Women's Bureau of Culture and Information. She was certainly a great woman in Alberta.

Beyond the more public roles are women as the keystones to our families. Their contribution to creating and maintaining families is just as important as any other contribution they gave. In my own life women, especially my mother, have played a strong role in shaping and forming my life. My mother is one of my biggest fans, and her contribution to my success in politics and life is immeasurable.

In closing, I would like to thank our women. I know they'll continue to lead, shape, and help our society grow into one that brings respect and tolerance through their unique caring and loving nature.

Thank you.

head: **Oral Question Period**

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

Health Care Reform Public Consultation

Dr. Taft: Thank you, Mr. Speaker. In the 1990s this government pushed through electricity deregulation without proper consultation, and we all know the results of that. We know how the public feels. Now this same government is pushing through a policy on health

care with only a 30-day consultation process, in which there are now just 23 days remaining. My questions are to the Premier. Will the Premier agree to an all-party televised debate focusing on his health care reforms? [some applause]

Mr. Klein: Mr. Speaker, I didn't know they were applauding for me. [interjections]

An Hon. Member: We will if you agree.

The Speaker: If everybody would speak through the chair, it would really work.

Mr. Klein: Well, I do agree. In fact, not only are we debating the situation before the television cameras during question period, if – if – the proposals are brought forward, there will be ample time to debate this situation in front of all the television cameras. I don't know if they'll be on or not. I think that they were for the Bill 11 debate. I stand to be corrected. I think I'm right, because it was of such public interest. I would hope that the Speaker would indulge the hon. Leader of the Official Opposition and keep the television cameras on during debate, if it in fact takes place, of the appropriate legislation that will be brought forward. But right now we're debating in front of the television cameras.

The Speaker: The hon. leader.

Dr. Taft: Thank you, Mr. Speaker. Again to the Premier: will the Premier attend a town hall meeting organized by the Liberal opposition to fit his schedule – any time, any place – to hear what Albertans are saying about health care? Will he come out and meet the public?

Mr. Klein: As much as I wouldn't like to attend, Mr. Speaker, the hon. Minister of Health and Wellness has laid out a public consultation process. It is a government process. We're responsible for fulfilling our duties in the best way we see fit. The process that has been tabled and outlined by the hon. minister is the process that we are going to follow. Now, there are a lot of suggestions relative to the process for public consultation. I'm sorry, and I apologize to the hon. Leader of the Official Opposition, but I'm going to stick with the process laid out by my minister.

The Speaker: The hon. leader.

Dr. Taft: Thank you, Mr. Speaker. Then to the minister: will the minister herself or will she urge her colleagues to attend health care town hall meetings organized by the Liberal opposition – we'll organize just a few for you – and report back to her caucus what she or they hear? Will you attend a town hall meeting?

Ms Evans: Well, Mr. Speaker. I will certainly report back to our caucus what we hear. We have actually booked a fairly full schedule right now. I know some MLAs have individually booked meetings in their particular constituencies. I have meetings this Saturday in St. Paul and in Bonnyville. I am arranging a meeting in Hinton. There are other centres that we're planning to go to in all corners of the province. So I could not make a definite commitment, looking at my own schedule and meetings we're arranging.

So, Mr. Speaker, although it's a kind and generous offer, I would urge the opposition to bring those views from those meetings forward, and they will constitute part of the material we're gathering from the public.

The Speaker: Second Official Opposition question. The hon. Member for Calgary-Mountain View.

Coal-bed Methane Drilling

Dr. Swann: Thank you, Mr. Speaker. Yesterday at town hall meetings in Camrose and Pigeon Lake several hundred rural Albertans spoke out about the impact on their lives of coal-bed methane, and the Official Opposition listened. These hardworking Albertans are experiencing water contamination and water shortage, and many are forced to choose between safe water and income from oil companies. Without adequate regulations oil companies and landowners are increasingly being pitted against each other. To the Premier: with some reputable hydrogeologists and industry expressing uncertainty about the impacts of shallow coal-bed methane fracturing on groundwater, is it not prudent to pause to consult with scientists, companies, and citizens until we know the extent of the damage to our vital groundwater?

Mr. Klein: Mr. Speaker, as I understand it – and I'll have the hon. Minister of Energy elaborate – we just announced two initiatives critical to protecting the precious resource of water. The first is mandatory baseline testing of well water before drilling for coal-bed methane. This will help us monitor water quality accurately. The second is the mapping of Alberta's groundwater so that we know exactly where our groundwater is located. Thirdly – I would add a third – is that there is a complete review of any coal-bed methane extraction process or application by the Alberta Energy and Utilities Board. The hon. member and any other citizen, of course, is invited to intervene if he or she feels that their water is being compromised.

Mr. Speaker, I don't have the letter, but I'd be glad to table it at some future date, from one of the companies, MGCV, I believe, very active in coal-bed methane extraction, saying that one of the individuals to whom the hon. member alluded has been spoken to by the company and seems to be satisfied. The letter also indicates that the situation relative to contamination of his water supply occurred a long time before coal-bed methane was extracted.

2:00

The Speaker: The hon. member.

Dr. Swann: Thank you, Mr. Speaker. Given that the coal-bed methane has been going on for five years, Mr. Premier, will you acknowledge the rural concerns and honour your commitment to halt new coal-bed methane development in the Horseshoe Canyon formation?

Mr. Klein: Mr. Speaker, I have never given a commitment to halt coal-bed methane. I have given a commitment that if the Minister of Environment discovers that coal-bed methane is indeed contributing to contamination of water supplies, then that activity will be suspended pending a complete resolution of the problem.

The Speaker: The hon. member.

Dr. Swann: Thank you, Mr. Speaker. Lacking any scientific investigation, it's going to be impossible to prove that now after five years.

To the Minister of Energy. Until now the EUB has been relying on industry to do baseline water testing before drilling. How can Albertans be satisfied that the EUB is protecting the public interest?

Mr. Melchin: Mr. Speaker, the Energy and Utilities Board is the

one that's been setting a very rigorous standard for the industry for decades. I've got to still clarify that we try and typify coal-bed methane as if it's a new activity when it's not. This drilling activity in shallow wells occurs in thousands of wells if not hundreds of thousands of wells across the province, with decades of experience in managing water – saline, aquifers, fresh, potable water – fracturing techniques, all of those issues. The industry has a substantive amount of evidence, information, baseline information, and the like. It's not in the absence of a very solid foundation with which this activity is going forward. That is the first misrepresentation of what's happening with this coal-bed methane.

Secondly, each of these individual applications – and he mentions Horseshoe Canyon. That's in a seam where there's virtually no water. So even in that it isn't a matter that there is even a water extraction issue. As to whether it's affecting other zones or aquifers, the evidence thus far does not suggest anything of the like.

The Speaker: Third Official Opposition main question. The hon. Member for Lethbridge-East.

Continuing Care Standards

Ms Pastoor: Thank you, Mr. Speaker. Albertans have been tirelessly advocating for improvements in the long-term care system. Jean Warden died last year of malnutrition, dehydration, and infection in a for-profit facility. This highlights the current crisis in long-term care and the desperate need to legislate standards of care and ensure that enforcement mechanisms are in place. My questions would be to the Premier. Mr. Premier, why isn't this government legislating clear, enforceable provincial standards of care since the Auditor General and the MLA task force have submitted their reports?

Mr. Klein: Mr. Speaker, that is under review. I'll have the hon. minister responsible for seniors respond. I don't know if it's the minister of health or the Minister of Seniors and Community Supports. I think it's Seniors and Community Supports.

The Speaker: The hon. minister.

Mrs. Fritz: Well, thank you, Mr. Speaker. I am pleased to respond to this question. You know that over the past year we have worked very hard on this issue of long-term care following the Auditor's report, and especially the member asking this question knows that because she was a part of the continuing care report along with two of my colleagues that reported just recently with 45 recommendations. The Minister of Health and Wellness and I responded very quickly through the third quarter, which we had here in the Assembly just this past week. In the third quarter there was an allocation of \$36 million to meet the urgent needs that were identified in these 45 recommendations: \$26 million to Health and Wellness, \$10 million within my ministry.

Mr. Speaker, I can tell you this. With the budget coming up in the next few weeks, we can look forward to a continuation in long-term care in meeting the needs.

The Speaker: The hon. member.

Ms Pastoor: Thank you, Mr. Speaker. I do appreciate that answer, but I would also like to suggest that this government take this issue so seriously that they would commit to establishing an independent office, like in my Bill 205, which is calling for a continuing care commissioner to solve the problems with enforcement and accountability. My question would be . . .

The Speaker: Well, I think you've had a question, hon. member.

Ms Pastoor: . . . when will that be considered?

Mrs. Fritz: Well, Mr. Speaker, we've had this discussion, the hon. member across the way and myself, as recently as two weeks ago. I was looking forward to the bill being here in the Assembly. I apologize; I've been very busy. I haven't had an opportunity to read the bill yet, but I am looking forward to that as well.

In our discussions the member knows that what she has put forward in regard to having a commissioner in the Assembly, Mr. Speaker, reporting through you for long-term care is one approach. We've had other approaches in that regard, and I'm going to evaluate all of them, and I would involve that member at that time even in making that type of decision.

The Speaker: The hon. member.

Ms Pastoor: Thank you. I think that my point is: could we look at this as being actually legislated? Would that be looked at or just as a regulation?

Mrs. Fritz: Mr. Speaker, I am looking forward to that debate when the member's bill comes forward.

Health Care Reform Public Consultation

(continued)

Mr. Mason: The Alberta Liberal leader thinks the Premier is a great man, a colossus even. We in the NDP opposition have a different view, Mr. Speaker. We see a Premier who wants to ram through the most far-reaching changes to our medicare system in 40 years without a mandate to do so and without properly consulting Albertans. My question is to the Premier. Why is the government acting in such a high-handed and undemocratic manner by denying Albertans the opportunity to present their views at a set of public hearings around the province, not just milk and cookies with the minister?

Mr. Klein: Well, Mr. Speaker, I would like to first of all thank the hon. Leader of the Official Opposition for his very kind words.

Mr. Speaker, there is a public consultation process laid out, as I mentioned. In fact, I understand that the hon. Minister of Health and Wellness went out on the steps of the Legislature today when one of the ND members was about to speak and invited members in for a consultation, then went back out and invited another 15 back in. Now, that to me shows that the minister is willing to listen to all sides, even sides orchestrated by the NDs and the Liberals.

Mr. Mason: Mr. Speaker, why does the Premier believe that the minister inviting some protesters in for milk and cookies is a substitute for a real consultation process that actually goes out to where people live in this province – in Mayerthorpe, in Medicine Hat, in St. Paul, and in Wainwright – and hold public, open, and transparent hearings? That's the point: no more closed-door meetings.

Mr. Klein: Well, Mr. Speaker, as I understand it, I don't know specifically if the hon. minister is going to go to the locations indicated by the hon. member, but certainly she plans to go on the road and meet with constituencies throughout Alberta.

I'll have the hon. member respond.

The Speaker: Perhaps we'll get it in the third one.
The hon. leader.

Mr. Mason: Thank you very much, Mr. Speaker. Well, given that many Albertans, including a number of contenders for the Tory leadership, have told this government that they need to take the time to properly consult Albertans in open public hearings, why has the Premier decided to short-circuit the democratic process instead?

2:10

Mr. Klein: Mr. Speaker, I take exception to the suggestion that we're short-circuiting the situation and the public hearing process. We promised that there would be public consultations. Those consultations are taking place. We don't want this, please forbid, to become a circus. We want the hearings and the public consultation process to be as impartial and nonpolitical as possible, notwithstanding the attempt by the Liberals and the NDs to make it very political, and we want to hear from Albertans as to what their ideas might be to, one, improve accessibility and choice in health care for Albertans, and two, bring health care costs in line with the rate of inflation.

The Speaker: The hon. Member for Cardston-Taber-Warner, followed by the hon. Member for Lac La Biche-St. Paul.

Energy and Utilities Board

Mr. Hinman: Thank you, Mr. Speaker. Two of the most important things in our life are our health and our environment. Through recklessness both are easily compromised, and it is often difficult if not impossible to repair the damage. The fastest way to progress is through learning from the mistakes we and others make. Over the past years we have allowed the separation of mineral and surface rights to the detriment of landowners. To the Premier: in order to protect and treat landowners fairly, will you allow elected representation on the EUB board to make them more accountable to the citizens of this province?

Mr. Klein: On the AEUB that is a very interesting suggestion. I've often said publicly to the media: for every good suggestion there is a bad suggestion. In other words, for every action there is an equal and opposite and often negative reaction. If the hon. member will send over his suggestion, we'll consider it, but also we'll consider the cons. I don't know what they might be at this particular time, but I'm sure that as we discuss a policy change around the caucus table, there will be plenty of concerns raised.

The Speaker: The hon. member.

Mr. Hinman: Thank you, Mr. Speaker. Again to the Premier: would you consider equal representation before the EUB board and review the compensation that landowners are entitled to when they go before the EUB board and who they can hire and pay to represent their interest?

Mr. Klein: I really don't know. I understand that the Minister of Human Resources and Employment is working on that particular situation, and maybe I'll have him respond.

The Speaker: The hon. minister.

Mr. Cardinal: Thank you very much, Mr. Speaker. I did attend a number of meetings with that particular concern, and it's under discussion right now.

The Speaker: The hon. member.

Mr. Hinman: Thank you. To the Minister of Energy: will you protect Alberta groundwater and aquifers by extending the no-drilling or fracking zone to one mile within water aquifers until the baseline hydrogeological investigations and reports are in?

Mr. Melchin: Mr. Speaker, you know, the Energy and Utilities Board has already looked at this issue. They came out with a directive to ensure the protection of the aquifers, as so mentioned. Yes, there is a great interest by industry, by the regulator, and by everybody to ensure that that happens. They have already put out directives that there are certain procedures that must occur if it's within the shallow – so it's 200 meters that is suggested. Those are the ones that have the right degree of expertise to measure and quantify those kinds of questions, and they've appropriately said.

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

Police and Peace Officer College

Mr. Danyluk: Thank you very much, Mr. Speaker. In October Alberta Solicitor General and Public Security issued a request for proposal to build a centralized training centre for police and peace officers. I understand that 30 communities, including two from my constituency, submitted proposals to the department in December and now are anxiously awaiting word on the successful bid. My questions are to the Solicitor General and Minister of Public Security. Can the minister provide us with an update on the status of this project?

The Speaker: The hon. minister.

Mr. Cenaiko: Thank you very much, Mr. Speaker. As the hon. member mentioned, our department is looking to develop a single-site facility in the province of Alberta as Alberta is one of the only provinces left in Canada without a facility of this nature. We're looking at a facility to try to improve the quality of training, ensuring that the standards are superior and, of course, that it would provide training for the roughly 8,000 police and peace officers in the province.

Our department did receive an overwhelming response to the RFP that was due in the middle of this past December. We received 30 tremendous proposals with 42 different land parcel considerations within them. Due to the high number of submissions, Mr. Speaker, we need the opportunity to analyze each one in great detail, and we'll not be able to shortlist in the time period that was specified in the RFP. We did send out a letter to those 30 municipalities requesting an extension on the proposal till May 15, and we're hoping that we should have the decision made before the middle of May.

The Speaker: The hon. member.

Mr. Danyluk: Thank you very much, Mr. Speaker. Again to the same minister: can the minister please tell us what the communities can expect to happen between this time and May 15?

Mr. Cenaiko: Thank you, Mr. Speaker. Well, first of all, I want to thank those communities for their interest and their support in this project as we move forward. The review committee will continue to analyze and review all of the proposals to evaluate them against the

criteria that were identified in the RFP. The short list will then be developed, and the review committee will begin interviewing and going out and actually doing physical site assessments in the communities. Again, as I mentioned, the expected deadline for the site to be selected is May 15, and obviously we hope to have that done prior to then. There still is a lot of work to be done. Each one has to be measured on its own merits, yet using the same measurement criteria to be fair to all of those 30 communities.

The Speaker: The hon. member?

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

Health Care Reform

Ms Blakeman: Thank you, Mr. Speaker. There are just 23 days left in this government's proposed consultation period on the health policy framework, yet they are asking Albertans to react to a proposal with very little substance and around which the minister has admitted, and I quote: the detailed discussion is not there. End quote. The public needs solid information, and the government is not providing any detail or evidence. My questions are to the Minister of Health and Wellness. Is the minister ever releasing the detailed discussion of the health plan so Albertans can react to something of substance?

Ms Evans: Mr. Speaker, last July we put on the Alberta Health web page 13 initiatives that were health policy directives that we've been following through on, everything from looking at how we spend money on drugs to health policies and looking at enhancement of goods and services: a variety of strategies. We indicated and have received Albertans' responses to that. We also visited last summer all the health regions and gathered information about things that would constitute worthy policy directions to advance new health strategies. Putting patients first: there are several ways that that can be done. In the context of this framework we hope regional health authorities respond, and we're looking for Albertans' responses so that we know what their thoughts are about the broad principles that we've provided.

The Speaker: The hon. member.

Ms Blakeman: Thank you. Again to the same minister: can the minister explain how keeping public costs to the rate of inflation without taking into consideration the growth in population will result in anything other than reduced services?

Ms Evans: Mr. Speaker, I think that the hon. member opposite has hit upon one of the very difficult problems that governments, I would say not only nationally but internationally, are wrestling with. We have been very fortunate in Alberta to have sufficient funds to advance our health policies and our health strategies beyond what we've seen in any other part of Canada, but we recognize that to keep health care sustainable, we have to look at other ways of controlling the costs that we have in place for health care, whether that is the kind of initiatives that we're looking at in consolidating drug purchases or whether we make choices that are different in terms of new technologies that come on board. These policies talk about a variety of principles where people could look at whether choice and access could be delivered in other ways and get Albertans' responses before we go into further work on some of them that just may not be acceptable. We're hoping, however, that they will be.

The Speaker: The hon. member.

Ms Blakeman: Thank you. Again to the minister of health: can the minister explain how introducing private insurance for some surgical procedures will increase access for the average Albertan when those who have been on waiting lists of hip and knee surgeries for months or years will not even be able to purchase insurance for their procedure?

The Speaker: The hon. minister.

2:20

Ms Evans: Well, Mr. Speaker, when we first talked about this health policy framework, we didn't talk about Alberta introducing private insurance. We talked, rather, about reducing or removing the prohibition on private insurance that exists here in Alberta and in four other provinces. We note that our neighbours to the east, Saskatchewan, do not have a prohibition against private insurance. Simply put, in this document we are not talking about instituting or changing the mix of any insurance program or any other kind of funding mechanism. We are talking about policies for delivery of care and looking at some options.

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

Highway 43

Mr. VanderBurg: Thank you, Mr. Speaker. Highway 43 runs through my constituency, and traffic volumes, especially truck traffic, continue to increase. Some sections of highway 43 are yet to be twinned and are in a poor state of repair, and some sections are very dangerous. My questions are all for the Minister of Infrastructure and Transportation. When will these sections of this highway through my constituency of Whitecourt-St. Anne be finally completed?

The Speaker: The hon. minister.

Dr. Oberg: Thank you very much, Mr. Speaker. The very quick, short answer is that we are looking at the fall of 2007. There have been 376 kilometres of this road twinned. We're moving ahead with this. Over the past five to six years there has been a huge amount twinned. We currently are expecting to have 19 kilometres more twinned this upcoming year, leaving 37 kilometres yet to be twinned in the year 2007, and we truly hope that it will be done in the fall of 2007.

The Speaker: The hon. member.

Mr. VanderBurg: Well, thank you. Again to the same minister. The year 2007 is two construction periods away, two complete seasons. Is there anything that could be done to speed up this process?

The Speaker: The hon. minister.

Dr. Oberg: Thank you very much, Mr. Speaker. It's a very interesting issue that we have here. Unfortunately or fortunately, depending on how you look at it, part of highway 43 goes through a First Nations reserve. We are having a very difficult time negotiating that particular amount of land so that we can have the twinned road through that part of the reserve. Normally what would

occur in any other place in Alberta is that we would have the ability to use the Expropriation Act, but because it is on reserve lands, we do not have the ability to expropriate that land, and therefore we have to negotiate.

In essence, Mr. Speaker, what we're left with is the ability to either (a) come up with a negotiation or (b) plan a whole new route around the reserve. We would much sooner go with the existing route, which is through the reserve. It makes much more sense, would be much more beneficial for the people living on the reserve as well as for everyone else.

But through to the hon. member, Mr. Speaker, it is a critically important issue, and we will do what is needed to ensure that highway 43 is completely twinned.

The Speaker: The hon. member.

Mr. VanderBurg: Well, thank you, Mr. Speaker. Given that soaring construction costs and lack of labour for contractors are causing many disruptions in projects throughout northern Alberta, what impact does this have on the completion of this route?

The Speaker: The hon. minister.

Dr. Oberg: Thank you, Mr. Speaker. Last year we saw an unprecedented 25 per cent increase in the costs of our projects. That obviously has been taken into great consideration in what projects we do, what we're able to do.

In specific respect to highway 43 the biggest single issue we have is quite simply enabling us to receive the land from the negotiations. The price certainly is an issue, but that's not the biggest issue here. As I alluded to, it's obtaining the land that we need to build that road, and we will do it. There's a preferential way to do it, but there is another way that we could do it as well.

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

Workers' Compensation

Mr. Backs: Thank you, Mr. Speaker. The Workers' Compensation Board contracts for private health care services outside of medicare. This is a costly system, and it does not give injured workers choice of treatment or doctors. My question is to the Minister of Human Resources and Employment. With planned health care reforms will the WCB maintain its expensive private contracts or will it return to the public health care system or will there be some new WCB third way allowing choice?

Mr. Cardinal: Mr. Speaker, there are about three questions in that question. To start with, I think we need some clarification because one of the things with workers' compensation is that we do have legislation that there is to be workers' compensation in Alberta, and that's good. The other part we need to know is that the workers' compensation program is funded 100 per cent by the employers and also administered 100 per cent by the employers. We do participate in one area of the appeals process, and even that particular process is funded by the workers' compensation with their private dollars. The workers' compensation legislation has been in place since 1918, way, way before the Canada Health Act was introduced; therefore, that process was always exempt for a number of reasons. One of them is to ensure that when an employee is injured, access to doctors' facilities is as quick as possible so they can go back to work.

Mr. Backs: The WCB does report to the minister.

A second question to the Minister of Human Resources and Employment. When will the minister direct the WCB to settle the tens of thousands of long-standing, contentious claims so that these injured workers do not continue to be a huge drain on our public health care?

Mr. Cardinal: Mr. Speaker, that particular area, of course, has been dealt with in this House for a long, long period of time. Working with the workers' compensation, of course, we've tried to improve the existing appeals process that is in place and being used. The process that's in place will allow that for any applicant or any file that's in existence, any time you have new information, you can bring that file forward, and we'll deal with it.

The Speaker: The hon. member.

Mr. Backs: Thank you, Mr. Speaker. A supplementary to the minister of health. Has the ministry of health estimated the cost to public health care caused by WCB not dealing with unsolved, unfunded, long-standing claims by these tens of thousands of injured workers, all of whom access the public system?

Ms Evans: No.

The Speaker: Hon. Minister of Health and Wellness, did you want to respond?

Ms Evans: I did. I said no.

The Speaker: Oh, you did. Sorry. That was very quick. Brevity is good.

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

Land Expropriation

Mr. Cao: Well, thank you, Mr. Speaker. A constituent of mine brought to my attention the following facts. The government of Alberta expropriated good farmland north of Calgary. The landowner was given \$45,000 per acre, which included a sizable home, a dive pool, three garages, and a western wear business and barn. In comparison, the Calgary regional health authority purchased empty, raw land for the new hospital for \$85,000 per acre. My question is to the hon. Minister of Infrastructure and Transportation. How does he explain the difference in price of those two parcels?

The Speaker: The hon. minister.

Dr. Oberg: Thank you very much, Mr. Speaker. Quite simply, what we do is do the fair market appraised value any time land expropriation is undertaken. There is a difference in what occurred for the south Calgary hospital. That land was not expropriated. It was involved in a deal with the old Bow Valley site. The city took over the Bow Valley site, and they subsequently turned over some of the land in south Calgary to us for the site of the hospital.

So, Mr. Speaker, quite simply, the land was not expropriated. We have a policy in my department that it is always fair market value that is what is being paid to the particular person when land is expropriated.

The Speaker: The hon. member.

Mr. Cao: Thank you, Mr. Speaker. My first supplemental question goes to the same minister. Why, my constituent asks, was the land for the hospital not expropriated based on the expropriated price of the land in the north?

The Speaker: The hon. minister.

Dr. Oberg: Thank you, again, Mr. Speaker. Obviously, in whatever community we have in Alberta, there is a significant difference between where the land is situated. Land that is situated on the west of the city is not necessarily worth the same as what is located on the east of the city. Therefore, we undertake fair market value, which is an assessment through the estimators, through the real estate agents of what the value of that land actually is. We subsequently, then, expropriate it according to the value of the land.

Quite simply, Mr. Speaker, through to the hon. member, the value of the two parcels of land, where they sat and physical location, was significantly different, which accounted for the difference in price.

The Speaker: The hon. member.

Mr. Cao: Thank you, Mr. Speaker. My last supplemental question is to the same minister. What factual assurance can the minister provide that the owner of the land parcel in the north of Calgary was fairly treated and our public money was not overspent for the land in the south of Calgary?

The Speaker: The hon. minister.

2:30

Dr. Oberg: Thank you, Mr. Speaker. Again, it's a very interesting tale that occurred in the land in north Calgary. We were trying to negotiate with the particular owner of the land for two years, and we could not come to a negotiated price. Subsequently, we went and expropriated the land, and a price was established. That price was roughly \$45,000 an acre. What then occurred is that this particular case was taken to court. In the court case the judge actually stated that the value was a fair market value, but he then ordered us to pay above the fair market value for the movement of the houses and some of the inconvenience. In general, what that person actually received was very close to right around a million dollars for the land that was in northern Calgary. This was determined to be the fair actual price by a judge when it came to the expropriation.

I really must stress, Mr. Speaker, that we try to give fair market value. I think that when it comes to the beneficiary of that price, it's important that we have a transparent process to ensure that they get the proper price for their land. In this particular case I have no hesitation in saying that that is exactly what happened with your constituent.

The Speaker: The hon. Member for Edmonton-Beverly-Clareview, followed by the hon. Member for Edmonton-Gold Bar.

Northeast Calgary Ring Road

Mr. Martin: Thank you, Mr. Speaker. The Conservative government recently announced that the northeast leg of Calgary's ring road would be built as a so-called P3. This government never learns. The southeast Edmonton ring road was first announced as a \$300 million project; 16 months later the cost of building the road as a P3 had ballooned to almost half a billion dollars, the triumph of ideology over common sense. My question is, of course, to the Minister of Infrastructure and Transportation. How are Albertans

supposed to know whether it makes good budgetary sense to build the northeast Calgary ring road as a P3 when the minister is refusing to disclose the comparative cost of using conventional public financing to build this section of the road?

The Speaker: The hon. minister.

Dr. Oberg: Thank you very much, Mr. Speaker. I really feel that I must address the hon. member's preamble. The difference between the \$300 million and the \$478 million public-sector comparator on the Anthony Henday was a change in scope. The public-sector comparator was \$478 million, with the bid coming in at \$493 million. I will also draw the Assembly's attention to my previous answer, when I stated that the cost of construction went up 25 per cent last year. By us doing the Anthony Henday as a P3, we saved the taxpayers of Alberta 25 per cent, or roughly \$125 million.

In direct response to the hon. member's question, the reason that the public comparator is not being brought forward until one month before the bids are opened is so that no one can say that we have been gerrymandering the bids, that no one can say that we were gerrymandering the price. That bid on the public-sector comparator will be given to the Department of Justice, and they will all be opened at the same time. The three bids that will be from the private sector as well as our public-sector comparator will be opened at exactly the same time.

Mr. Martin: Mr. Speaker, to come back: won't the minister admit that the real reason for keeping secret – it is very unusual to do this – the comparative costs of public financing to build the northeast Calgary road is because the minister knows full well that this will be more expensive, just as the Henday was? That's why he's keeping quiet. He got burned last time.

Dr. Oberg: Actually, Mr. Speaker, that's absolutely false. That is not true. Quite simply, everyone in this Assembly knows that if we went out and said that a project is going to be worth \$500 million, I will guarantee to you that we will not get a bid under \$500 million. We are going to bring out that public-sector comparator, which is going to be our comparator on the work that is being done, a month before. We will have it sealed, and it will be opened at the same time. The other key component here is that if the private-sector bids are not competitive with the public-sector comparator, then they will not be accepted.

Mr. Martin: Mr. Speaker, the minister, as we know from the Henday, was totally off base on his estimates on Anthony Henday. Won't he admit to this Assembly that that's the real reason we're not looking at the public-sector comparator right now? That's the real reason.

Dr. Oberg: Mr. Speaker, I'll reiterate. We were off base. If we would have done it by conventional financing, it would have been \$125 million higher.

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

Royalty Revenues

Mr. MacDonald: Thank you, Mr. Speaker. Albertans demand a fair share for their resources through proper royalty rates. The Crown revenue share, the portion of industry's annual net operating revenue that is paid to the Crown as royalty, has decreased 4 per cent since

2001, meaning that millions of dollars have not been collected that should have been collected for the Alberta treasury. My first question is to the Minister of Energy. When oil and gas companies are posting millions of dollars in record profits, why is it necessary for this government to continue to provide more than \$100 million annually in financial assistance through tax credits? Even the Auditor General reports this in his latest report.

Mr. Melchin: Mr. Speaker, on the first issue, with respect to the percentage rate of return, that's a general, overall averaged rate given all the different royalty structures we have for oil sands, for conventional, and the like. That has been impacted by the substantive increase in the oil sands activity. As you know, our generic royalty regime is 1 per cent until payout, so because those projects are coming on in greater quantity and production, it's lowering the overall average rate today, but it's going to substantively help increase the royalties in the future. That rate was all designed to help us attract the investment so that we could have that long-term viability.

Mr. MacDonald: Mr. Speaker, to the same minister – and this has got nothing to do with the oil sands royalty program – why is it necessary to continue to reduce royalties by over a half a billion dollars annually through 10 different oil and gas royalty reduction programs when these resources are being sold at record prices?

Mr. Melchin: Mr. Speaker, I might speak to one in particular; for example, the deep gas royalty holiday that was put in place to help us ensure that we get at the hard-to-find, difficult areas, very marginal, substantially high-cost exploration wells that haven't been found. Our royalty structures are put in place to help ensure that we get value and find and recover any and all of those resources.

The Speaker: The hon. member.

Mr. MacDonald: Thank you, Mr. Speaker. My third question is to the Minister of Finance. How can this government continue to underfund long-term care when millions of dollars in royalty revenue are being left uncollected by this government?

Mrs. McClellan: Well, first of all, Mr. Speaker, I would unequivocally disagree with this hon. member that we are leaving royalty revenue uncollected. The energy industry has a long and important history of contributing to the economic well-being of this province, and everybody in this Assembly knows that. However, there have been a number of programs that have been put in place over the years for a particular situation, one of which the minister just explained now. There are many different royalty structures. There are challenges in securing some pools of gas or oil, and some of these structures were put in place at that time. These are negotiated over a period of time in good faith to serve a purpose.

I would say to the hon. member that the amount of revenue that we collect from the oil and gas industry in this province speaks to the success of the programs that we have, unlike some provinces that have the same energy source that we do but have not contributed to it by reducing taxes, improving royalty programs, and encouraging economic activity.

The Speaker: The hon. Member for Calgary-McCall, followed by the hon. Member for Calgary-Varsity.

2:40 Urban Aboriginal Strategy

Mr. Shariff: Thank you, Mr. Speaker. The city of Calgary has the

fourth largest aboriginal population in Canada, and my constituency of Calgary-McCall has the second largest aboriginal population in Calgary. As I discuss quality-of-life matters with my constituents, I am appalled at a number of issues affecting the well-being of aboriginal people in Calgary. Furthermore, I'm surprised there isn't a clear understanding of the Calgary urban aboriginal strategy. My first question is to the Minister of Aboriginal Affairs and Northern Development. What is the Calgary urban aboriginal strategy, and how is the policy impacting aboriginal people of Calgary?

Ms Calahasen: Well, Mr. Speaker, first of all, the urban aboriginal strategy is actually a federal government strategy. Alberta signed on just so that we can make sure that we would implement it with the municipalities as well as with aboriginal communities. There are a number of reasons to do that. We wanted to make sure we establish the process to effectively address the needs of the aboriginal people of Calgary, in this case, and other cities but also to make sure that we built on what was already there, what was needed, and why some of those programs were not working.

On the second issue, Mr. Speaker, there have been some real projects that have come out as a result of the urban aboriginal strategy. Just to give you an idea, I'll just list off some of the litany of programs that I do have, and I think it's really important to see this. First of all, I would say the Centre for Suicide Prevention, and that's to make sure the development and implementation of the aboriginal suicide prevention workshops in Calgary occurred; secondly, the Alexandra health centre, where lunch and learn, the aboriginal cultural awareness training for health professionals and other professionals in Calgary, is occurring; and of course the Awo Taan Native Women's Shelter, where we have the pediatric health initiative to support the shelter, of course, and their clinic in providing community liaison health services to residents of the shelter.

Mr. Shariff: My first supplemental is also to the same minister. Given that the urban aboriginal population is young, mobile, and growing in numbers in cities, what initiative is the minister working on to help these young people transition into city life?

Ms Calahasen: Well, Mr. Speaker, I think this is really important when we're talking about the aboriginal community. I just want to give a plug for the AUMA and the AAMD and C in wanting to build better relationships with the aboriginal community. They've done an excellent job, of course, through the AWPI, which we're now working on with the various municipalities. Thirdly, we have a number of programs that we've been working with, and I want to be able to talk about those.

First of all, the NAPI ambassador program connects aboriginal youth currently in junior and senior high school with aboriginal ambassadors to provide accurate information in accessing higher education. Of course, the Boys and Girls Club of Calgary also focuses on creating cultural development programs for aboriginal youth in the Bowness and Forest Lawn areas.

Mr. Shariff: Mr. Speaker, not wanting to make this the puffball question, I would ask the minister if she wants to add any additional information to what she has already answered.

The Speaker: Go ahead. Thirty seconds.

Ms Calahasen: Well, Mr. Speaker, I think this is really important. First of all, we also have what we call the business etiquette and job finding skills. The Urban Society for Aboriginal Youth will conduct

workshops on business etiquette, job finding, and of course résumé writing for aboriginal youth. The Chinook Lodge, through SAIT, provides academic learner services to aboriginal students. There are a whole litany of areas that we've been working on, and I'll file those at some point in time if you would like.

Vignettes from the Assembly's History

The Speaker: Hon. members, in the election of 1921 Irene Parlby was elected as a member of the United Farmers of Alberta in the constituency of Lacombe. She was to be re-elected in the elections of 1926 and 1930 and served to 1935. In 1921 Irene Parlby was appointed minister without portfolio and served in that capacity until 1935. She was the first woman to be appointed to an Alberta cabinet position.

It was not until 1973 that the first woman cabinet minister was appointed with a full portfolio. Helen Hunley was elected as a Progressive Conservative in 1971 in the constituency of Rocky Mountain House and in 1973 was appointed Solicitor General. She won re-election in 1975 and served to 1979.

Irene Parlby was to play a leading role in the Persons Case. Helen Hunley was appointed Alberta's 12th Lieutenant Governor in 1985, the first woman appointed to that position in Alberta, and served until 1991. Irene Parlby died on July 12, 1965. Helen Hunley lives in semiretirement in Alberta.

In 30 seconds I'll call upon the first of several members.

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

[Unanimous consent granted]

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

Mr. Ouellette: Mr. Speaker, it's a little bit unfortunate; I think my guests did have to leave, but for the record they're still in the building somewhere. It's a great pleasure for me to introduce to you and through you to all members of the Assembly a group of students from my constituency of Innisfail-Sylvan Lake. Visiting the Leg. today from Sylvan Lake was a bright group of 58 students in grade 6 from Fox Run school along with their teachers John Fielder and Karen Adair and teacher assistant Renee Deacon. Within that group I would also like to give a special welcome to parent helpers Lorie Johanson, Frank McLean, Tina Thiel, Karen McCartney, Deb Schultz, and Lynne Breton. Lynne is the daughter of Louise Kamuchik, Clerk Assistant here in the Legislature. Her grandson Dillon was here also. Well, I think they've left, Mr. Speaker, so thank you.

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

Ms DeLong: Thank you, Mr. Speaker. Similarly, my visitors have already left, but I did recognize up in the gallery someone who I met quite a while back at Climate Change Central. It was Scott Fleming from Teletrips, and he was accompanied by Gord Olsen. It was just good to see them here. Thank you.

head: **Members' Statements**

Canadian Agricultural Safety Week

Mr. Griffiths: Mr. Speaker, today until March 14 is Canadian Agricultural Safety Week. The theme this year, Farm Safety is My Business, reflects the attitude that farm safety is a personal responsibility and starts with each and every one of us on the farm.

Mr. Speaker, from 1985 to 2004 there was an average of 18 farm-

related deaths on the farm in Alberta. On average four of those yearly deaths involved children under 18 years old, 87 per cent were male, and 70 per cent of the incidents involved farm machinery.

One of the most powerful teaching tools that exists is leading by example, Mr. Speaker, and that applies to ag and farm safety too. Management, not labour, shapes everyone's attitude towards safety. Proper training, identifying hazards, and managing risk are vital to today's agriculture industry. Remaining vigilant is an ongoing process and an important element in workplace and agricultural safety.

I'd like to congratulate the organizers, the Canadian Federation of Agriculture and the Farm Credit Corporation, for choosing Alberta for their western launch, held on March 6 in Olds at Olds College farm shop. I also want to congratulate the organizers and sponsors on their focus this year on 15- to 25-year-old individuals. Youth makes up a significant portion of new farm workers, and with the least experience they are most at risk, Mr. Speaker. It is farm safety for the sake of the future.

Canadian Agricultural Safety Week, March 8 to 14: I hope everyone is aware and safe. Thank you, Mr. Speaker.

The Speaker: The hon. Member for Leduc-Beaumont-Devon.

First-aid Assistance at St. Benedict School

Mr. Rogers: Thank you, Mr. Speaker. I'm honoured to rise today to recognize a group of heroes in my constituency. On February 24 of this year during a dance and silent auction at St. Benedict elementary school in the city of Leduc a parent attending the event suddenly collapsed. His breathing was laboured, and it was apparent that he was in need of medical attention.

2:50

Four people present – Audrey Hochhausen, Amanda Garneau, Susan Yacyna, and Karen Bibaud – came to his aid. All four are proud members of the nursing profession, and they immediately recognized the serious nature of his condition. Without hesitation they put their skills to use, providing first aid until emergency response staff arrived to transport this gentleman to the hospital. During this critical time the teaching staff at St. Ben's also performed admirably, maintaining control of the youth and parents present, keeping everyone calm, and giving these ladies the room they needed to work.

Mr. Speaker, without the intervention of everyone involved, this gentleman would not have survived. He remains in hospital but is expected to be discharged fairly soon. I would ask the members of the House to join me in recognizing and congratulating not only these four women for their quick action that saved the life of a stranger but also the staff of St. Benedict school who helped to control the situation and provide support. Together they averted what could have been a tragedy.

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

Amanda Ammar

Mr. VanderBurg: Thank you, Mr. Speaker. I rise today to recognize a young lady from Onoway, Amanda Ammar, who represented our country at the 2006 Olympics in Italy. Amanda was born on February 6, 1986, in St. Albert and soon moved to Whitecourt-Ste. Anne. She was only three years old when she first took up cross-country skiing and was the youngest member ever to train with the Onoway Jackrabbits. Skiing distances of 15 and 55

kilometers as an 11-year-old, this “racing rabbit” showed great promise and joined the Edmonton nordic club.

Amanda made herself well known as a rising star with outstanding abilities during her next years, becoming an Alberta provincial champion and earning the honour of representing the Canadian junior national team. When Amanda’s positive attitude, hard work, and outstanding skills led to a magical call telling her she would be representing Canada on the cross-country Olympic ski team in Torino, Italy, a dream had truly been realized.

Back in grade 1 Amanda drew a picture of herself beside a mountain embedded with the five Olympic rings, and now, as a 20-year-old, she is the youngest person ever to represent the Canadian cross-country Olympic ski team. Of course, Amanda’s family has supported her every step of the way, and we can only imagine the pride they all felt when they watched her dream come true in Italy.

Amanda now trains at the world-class facilities of Canmore Nordic Centre, where she also receives world-class coaching and is aiming for the 2010 Olympics in Vancouver and beyond. This dedicated Albertan truly has a remarkable future ahead of her, and the town of Onoway, the constituency of Whitecourt-St. Anne, the province of Alberta, and all of Canada should be very proud of her. On behalf of all my colleagues congratulations and best of luck, Amanda. We’ll be watching in four years.

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

National Child Care Program

Mrs. Mather: Thank you, Mr. Speaker. I appreciate this opportunity to once again speak to this House about the importance of a strong, well-supported child care sector in Alberta. Today child care workers and concerned parents have organized a rally in Calgary and one that will take place outside the House this evening. Some of them are our visitors here today.

Albertans recognize the threat that Prime Minister Harper’s new program represents to our own child care program in Alberta. That plan would have several negative impacts on these workers. Most obviously, it would result in an end to the provincial funding that helped raise child care workers’ wages to more respectable levels. Many families will no longer be able to afford child care. This will result in closure of some child care facilities and in some parents leaving the workforce. I, for one, am willing to voice my support for the child care sector in Alberta in demanding that this provincial government remain committed to the principles that guided the five-point plan.

The Premier has already stated that he is in support of Mr. Harper, in support of ending provincial supports to the child care sector. The hon. Minister of Children’s Services has not yet stated her position. I’m asking the hon. minister to respect the commitments that this government made to the child care sector in Alberta. There are thousands of Albertans, thousands of families in this province, that will be negatively impacted by the federal Conservative plan.

In closing, I encourage all of the members of this House to voice support for the child care sector in Alberta and in doing so show Ottawa that we value the wonderful work that they do in our province. Thank you.

The Speaker: The hon. Member for Lac La Biche-St. Paul.

Youth Networks

Mr. Danyluk: Thank you very much, Mr. Speaker. It is my pleasure to rise today to discuss Alberta’s youth networks. As I have

mentioned many times, youth are the future of this province, and their input is very valuable.

Mr. Speaker, a youth network is a committee of youth who have met often to identify social, health, community, and economic issues affecting youth. These networks provide our youth with a chance to work with local and provincial authorities in finding solutions to address different issues and challenges that youth face. They also allow Alberta’s young people to give feedback on the services provided to youth in their own communities.

These youth networks have been very successful to date. In region 1 the southern youth network advisory panel hosted a youth forum to aid their children and family services authority in its business planning process. This gave the authority a chance to hear directly from the youth in the region and to use their comments in any upcoming regional initiatives.

In region 6 the coalition of street youth have been working to come up with a magazine targeted at high-risk youth.

Another group, Mr. Speaker, the Alberta prevention of bullying youth committee, is working hard to address the challenging issue of bullying. They have taken action by working on an antibullying awareness campaign for youth.

These are just examples of the great work that these individuals in our youth network do for our communities. Through these youth networks our youth are becoming involved in their communities and are able to support their future growth and success.

Thank you so much for this opportunity, Mr. Speaker.

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

Health Care Reform Public Consultation

Mr. Chase: Thank you very much, Mr. Speaker. This government confuses the term “communication” with ‘con-munication.’ For a number of years this government has dabbled and doublespoken about the importance of preserving the Canada Health Act while undermining the public system. It has spoken about delisting services, reconsidering what is medically necessary for coverage, and, most recently, to what extent it can offload its public responsibility onto private insurance companies. To aid in its public health betrayal, it hired the private insurance company Aon at a cost of over 1 million taxpayer dollars to help the government disassemble their public system.

Six years ago this government, after two previous attempts, used closure to finally ram through Bill 11 legislation. On the Legislature grounds thousands of Albertans protested the government’s refusal to listen. Approximately 10,000 protestors gathered at the AgriCom in Edmonton while between 4,000 to 5,000 gathered at the Corral in Calgary.

This people’s parliament, the Legislature, was turned into a lock-down mode reminiscent of the storming of the Bastille. Perhaps this is why the Conservative king, who barely escaped with his life, confuses public consultation with confrontation. Three times this week he has crowed his reluctance to attend public forums as meetings with peasants and plebeians, Marthas and Henrys can be rather raucous affairs. If this government truly wanted to hear from Albertans on its proposed third-way plans, it would leave the security of its legislative castle and mix with the masses.

head:

Notices of Motions

The Speaker: The hon. Member for Edmonton-Beverly-Clareview on a Standing Order 40 application.

Mr. Martin: Yes, Mr. Speaker. I'd like to move Standing Order 40 on the Order Paper for debate later on.

Thank you.

head: **Tabling Returns and Reports**

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

Mr. Agnihotri: Thank you, Mr. Speaker. I rise today to table the appropriate number of copies of six of the many letters we have received from concerned parents, daycare owners and staff, and other concerned citizens. These letters voice serious concerns surrounding the cancellation of the national daycare program. The letters I am tabling today are from M. Golberg, George Bruseker, Christa Gilroy, Bill Gilroy, Lonnie Varze, Ella McEvoy.

Thank you.

3:00

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

Mr. Bonko: Thank you, Mr. Speaker. I rise today to table the appropriate number of copies of seven of the many letters I have received from concerned parents, daycare owners and staff, and other concerned citizens. These letters voice serious concerns surrounding the cancellation of the national daycare program. The letters I am tabling today are from Amanda Rintisch, Bozena Kurzatkowski, Michele Yankowski, C.P. Whyayazski,* Donna Alexander, Lana Sinclair, and Evelyn Blain.

Thank you, Mr. Speaker.

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

Mr. Elsalhy: Thank you, Mr. Speaker. I rise today on behalf of my hon. colleague from Edmonton-Mill Woods to table the appropriate number of copies of seven of the many letters that she received from concerned parents, daycare owners and staff, and other concerned citizens. These letters voice serious concerns surrounding Prime Minister Harper's rash decision to cancel the national daycare agreement. The letters are from Jody Matwichuk, Lori Engman, James Grant, Connie Bowie, Candace Diker,* Fiona McLellan, and Dr. Isabelle Chapados.

Thank you, Mr. Speaker.

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

Ms Blakeman: Thank you, Mr. Speaker. Three tablings today. The first is on behalf of my colleague from Edmonton-Riverview, the Leader of the Official Opposition, which is a copy of the letter sent to the Premier requesting a public, televised, all-party debate on the government's third-way plans.

The second tabling is from Marc Brisbourne, who is a constituent in my riding, with concerns around particularly item 9 in the government's health policy framework: paying for choice and access. He feels that this will lead to better care for higher incomes and that the ability to pay for treatment should not be a criteria, how much you can pay.

The final one is from Denis Arrowchaser, who believes that the "private section medical care will produce longer waits in the public section We should just continue to fix the current system."

Thank you, Mr. Speaker.

Mrs. McClellan: Mr. Speaker, during question period on Monday, March 4, I undertook to provide a further response to the hon.

Member for Edmonton-Rutherford regarding consultant contracts. I am pleased to table today five copies of that additional information.

Thank you, Mr. Speaker.

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

Mrs. Mather: Thank you, Mr. Speaker. I wish to table the appropriate number of copies of six of the many letters I've received from concerned parents, daycare owners and staff, and other concerned citizens. These letters voice serious concerns surrounding the cancellation of the national daycare program. The letters I am tabling today are from Aliya Ashraf, Stacie Nikoloyuk,* Gina Del Brocco, Cindy Stork, Monique Allen, and Terry Yahnke.

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

Mr. Tougas: Thank you, Mr. Speaker. I would like to table the appropriate number of copies of letters we received concerning the cancellation of the national daycare program. They are from Rae-Anne Richard, Kayla Herman, Arash Riahi, Laura Fulmer, Gracy Cysouvic,* and Laurie Ethier.

Thank you.

The Speaker: The hon. Member for Lethbridge-East.

Ms Pastoor: Thank you, Mr. Speaker. I have two tablings today. The first is from the Warden family, a very disappointed response to the protection for persons in care report. I have the requisite five copies for the House.

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

Ms Pastoor: I have another one. Sorry.

The Speaker: The hon. Member for Lethbridge-East.

Ms Pastoor: Thank you. My second one is a letter to the Premier from the Alberta Association of Rehabilitation Centres, in which their contention is that "community services to people with developmental disabilities are in crisis." I have the five requisite copies.

Thank you.

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

Mr. Agnihotri: Thank you, Mr. Speaker. I have another tabling, from my constituent Mr. Jim Sexsmith, who is a veteran and retired, living on a very low income. He is concerned about affordable, low-income housing for veterans. He's urging the government to take action and help find an affordable place for retired veterans like himself.

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

Dr. Pannu: Thank you, Mr. Speaker. I'm tabling five copies of a document called The Daily, published every day by Stats Canada. This one is dated March 7. It's a summary of the findings of a report called Women in Canada, which finds that while women are closing the education gap with men, they still tend to earn less and be at higher risk of living in poverty. These disparities are especially predominant for women who come from visible minority groups.

Thank you, Mr. Speaker.

*These spellings could not be verified at the time of publication.

head: **Motions under Standing Order 40**

The Speaker: Hon. Member for Edmonton-Beverly-Clareview, you gave notice of a motion that I gather wants to be introduced by the leader of the third party. Is that correct?

Mr. Martin: That's correct.

The Speaker: Okay. This is a Standing Order 40 application, so I would ask the hon. leader of the third party to read the motion into the record and explain briefly the condition. Then I intend on calling the question.

Health Reform Public Consultation

Mr. Mason: Thank you very much, Mr. Speaker. The motion is:

Be it resolved that the Legislative Assembly urge the government to immediately establish a committee for the purposes of holding public hearings in all regions of the province on the government's health policy framework, February 2006, and, further, that the committee should

- (a) include committee members from each of the parties represented in the Legislature,
- (b) have the authority to hold public meetings and establish other parameters for an open and transparent public hearing process, and
- (c) report on its findings at the fall 2006 session of the Legislative Assembly

and, further, that no legislation implementing the government's so-called third way in health reform is introduced to the Legislative Assembly until the committee's work is completed.

Mr. Speaker, I believe that the motion is extremely urgent. Albertans have consistently told us that health care is the issue that they care most about. It is the largest expenditure item in the annual budgets of the province, and people's lives depend on it. There is obviously a great deal at stake. Public opinion polls have shown repeatedly that the public wishes to retain the single-payer public health care system that we have in this province.

Mr. Speaker, the government's health care agenda seems to have a timeline of its own. There are very dramatic reforms, so-called reforms, being proposed which will undermine, in our view, the public health care system in this country that has served us very well for 40 years. Yet Albertans are entirely shut out of the process.

I'm asking that the Assembly debate this motion immediately because the consultation process introduced by the government will not provide opportunities for public input prior to the legislation being introduced. The government has indicated that they wish to introduce the legislation sometime early in April, Mr. Speaker. They've indicated that there is a four-week window for what they call consultation, of which three weeks are left, yet most Albertans are as yet unfamiliar with the government's proposals. So the timelines are very short before this legislation is going to be introduced.

Mr. Speaker, I think that it is critical that before the government introduces this legislation for what they've indicated is going to be essentially a two-tier health care system, that the public has an opportunity, as the government has promised, to find out about the details of the government's proposals and to provide comment to the government. The process that has been set in place by the government does not allow this. In fact, it has been largely used as an opportunity or as an excuse to avoid answering detailed questions from Albertans and from the opposition on the question.

Given that the government had been unwilling to debate health care during the last election, promised consultations, those consultations have not occurred, the legislation is being drafted as we speak, and there is no meaningful public consultation process that allows

Albertans in their own communities to provide input with respect to this, I consider it a most urgent matter, that the Assembly should deal with this motion and establish an all-party committee of the Legislature to hold public hearings around the province and submit its report to this Assembly and to the government prior to legislation being introduced which will dramatically and radically transform our public health care system.

Thank you, Mr. Speaker.

[Unanimous consent denied]

head: **3:10 Committee of Supply**

[Mr. Shariff in the chair]

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

head: **Interim Supply Estimates 2006-07
General Revenue Fund and Lottery Fund**

The Deputy Chair: We shall begin with the hon. Minister of Infrastructure and Transportation.

Dr. Oberg: Thank you very much, Mr. Chair. It gives me great pleasure to rise today to speak to the interim supply estimates for the Department of Infrastructure and Transportation. What we are asking for today is \$832,400,000 for operating expenses as well as another \$207 million, which end up being for capital expenses.

I won't take a lot of time today. Quite simply, the first number, the \$835 million, is broken down as follows. There are \$400 million for the municipal partnership grants. These are grants that will be going out in the first two months, prior to the budget being passed. There are \$25 million more for capital and accommodation projects. These are for rent. These are for upgrading. The capital amount, in short, is for doing what the Department of Infrastructure and Transportation does each and every day. The rest of the \$835 million is simply two-twelfths of my operating budget, which allows me to actually pay my staff and, again, to do the things that we need to do in Infrastructure and Transportation.

There are also \$207.8 million in capital investment. This is for road projects that are presently being done. As the hon. member knows, under conventional financing we do have to pay for these as they are being done, and we do not want to nor wish to delay any road projects for two months in our very short construction season while the budget is being passed.

Mr. Chair, that's what the dollars are being used for. If there are any questions, I'd be more than happy to take them.

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

Mr. MacDonald: Yes. Thank you very much, Mr. Chairman. It's a pleasure to get an opportunity to participate in debate this afternoon on the interim supply estimates for 2006-07. Certainly, when we look at this and the hon. minister innocently states that this is one-sixth, or two-twelfths, of the annual budget, well, then you would think that there shouldn't be any problems.

However, one looks at the spending habits of this particular government now and what they used to be, what they were at one time. When the current Member for Edmonton-Beverly-Clareview was first a representative in this Legislative Assembly, this government had a very, very bad spending habit. Then they had a curious habit of reducing significant expenditures in core areas, which today we are still facing the consequences of. Because of this overspend-

ing and this notion that we could have special warrants and the fact that perhaps money did grow on trees – everyone but the government seemed to know that this wasn't true – we had to have dramatic cuts in government expenditure. No one denied that that should occur, but how it should occur was a significant topic for debate.

Now, I said before that we've cut the health care budget. We cut the budget towards public education. Certainly, the infrastructure budget was reduced. We're still playing catch-up on that. How much catch-up? Well, even the hon. minister was just in the last fiscal year talking about borrowing money. Yes, borrowing money. I don't know if he had your permission or not, Minister of Finance, but he was talking about it. I don't know if the hon. Minister of Finance had been consulted on this borrowing that was anticipated or thought about by the minister, but the infrastructure deficit was first reported to be \$3 billion, then it went to \$4 billion, and then it went up past \$7 billion. So that is yet another example of some of the previous planning that has occurred with this Progressive Conservative government.

Now, how concerned should we be about that, and how concerned should we be about this whenever we're discussing the interim supply amounts to be voted, Mr. Chairman? Well, we only have to have a look at the Order Paper from last week. This is the Order Paper from day 3, Monday, February 27. We can just review some of the motions here, but certainly Motion 514 has caught my eye and caught the eye of a lot of different Albertans. The hon. Member for Battle River-Wainwright has obviously some concerns about government spending and government spending habits. This motion reads:

Be it resolved that the Legislative Assembly urge the Government to introduce legislation to ensure that all budget surpluses or unbudgeted revenue from a given fiscal year be held in a holding account until its allocation is debated by the Legislative Assembly the following fiscal year.

Motion 514 indicates to me that there is concern on the government side of the House as to how this whole process of budgeting is working.

Now, when we discuss interim supply for Infrastructure and Transportation, how confident can we be that next fall, for instance, we're not going to be looking for more money for this department? Infrastructure repairs and infrastructure construction are certainly necessary. It is a vital, vital department. In light of the poor planning that's gone on, how much extra we are paying now for infrastructure is the question.

The hon. minister talked earlier about the allocations and also talked earlier in question period about the 25 per cent increase in construction costs. Well, I haven't got, in my view, an adequate answer yet from the minister in regard to the \$40 million-plus cost overruns on the flyway intersecting the Queen Elizabeth II highway, the old highway 2, and the Anthony Henday Drive project. The hon. minister was certainly forthwith – and I appreciate this – with the information in regard to the inappropriate rumble strips that appeared below the overpass on highway 2, where it was considered by myself and many other motorists to be unsafe and unacceptable on a relatively new road. I appreciate the minister's clarification on that matter, but I'm still after the details on why that cost overrun was so significant. It could not all be attributed to the increases in the cost of cement.

3:20

Now, earlier today the minister talked in question period, as I said, about the 25 per cent increase in construction costs. I had an urge to go down – and I just haven't had an opportunity – to the library and get the *Alberta Gazette* and see what percentage increase there is in the private-sector contracts that have been approved by the Treasury

Board, some of the increases that would have occurred there and for what reasons, because the *Alberta Gazette* is really a snapshot into how this government operates and how this government spends money. I would not be surprised to see in the *Alberta Gazette* where some of the contract budget increases and extensions have been for less than that 25 per cent figure, and many would be over that 25 per cent figure.

Dr. Oberg: That's why 25 is an average.

Mr. MacDonald: A 25 per cent increase is now an average, Mr. Chairman.

The high cost of steel is used as an excuse. I was astonished when I was doing some research on this outfit called Shanghai Construction, that is being used to import temporary foreign workers to this province. This outfit, Shanghai Construction: not only are they busy doing construction projects, but they're also a manufacturer of steel and steel products. I was astonished to read on the Internet that their profit margin had changed because the price of steel had decreased. I keep hearing from many different sectors in this hot economy in Alberta that the price of steel is going very high, and I found that contradictory, that this outfit was complaining that their profit margins had to be readjusted because the price of steel was going down. So if there are any buyers out there of steel and steel products, I would urge them to perhaps contact this outfit and see what their prices are.

Now, that shouldn't be used as an excuse. Steel prices should not be used as an excuse for increased construction costs. I find it astonishing that it would be. Even if it's an average of 25 per cent, I think our construction companies and our construction managers are much more able and capable of making decisions on and off the site, and I don't think that is necessary.

Mr. Chairman, when we look at the interim supply budget under Infrastructure and Transportation, we think of the bridges. We think of the roads that need repair. Certainly, this hon. member is quite satisfied with the explanation from the hon. minister in regard to looking after his staff. That's one place where I think we need to ensure that people are well compensated.

Government employees: there are certainly significant pressures to attract them to the private sector. If we have design engineers and we have planners working in the department, I think we should make sure that they are well looked after financially, or the minister will be working there past midnight by himself. They'd all be gone to the oil and gas sector. These are competent, able people, and we have to make sure that their compensation is adequate. I have some questions about some of the deputy ministers and people like that, Mr. Chairman – don't get me wrong – about some of their bonuses and whatnot, but we have to make sure that Alberta government employees are well looked after financially and that they are satisfied with their workload and their employment conditions.

We talked earlier about the budget process and the fact that we are now looking at this interim supply, of course, until the budget is introduced. I assumed, like everyone else, that the whole budget process started in November, but much to my surprise when I received a leak – and I was grateful for receiving the leak – on the Department of Energy's budget, I saw that the budget documents were going before private, government-members-only standing policy committees in October. I thought this whole process started after Remembrance Day, but certainly I was wrong.

Dr. Oberg: We'll make sure you get your leaks.

Mr. MacDonald: I appreciate that.

If this process is starting in October, it's much sooner than I thought. There shouldn't be any reason at all why the budget could not come much sooner. It would not be necessary to have this debate this afternoon on interim supply.

That goes back, Mr. Chairman, to the concern that I had earlier about the long-term planning of this government and the worry that's reflected in Motion 514, the worry that government spending is out of control. I know that the size of the government has increased – and we've talked about this before – but we need to make sure that we're satisfying all interested parties: taxpayers, the Taxpayers Federation, the Canadian Federation of Independent Business, the opposition parties, everyone. If we had better long-term planning by this government, I think we would have better confidence in the entire process, and we would see that confidence expressed by the citizens.

Now, this money is simply to carry the government through until its budget. It's an allowance, if we could call it that. Whenever your children, Mr. Chairman, are quite free with their allowance, one has a tendency to watch it more closely. This is the same with this government. It has to be watched very, very closely to ensure that this money is being spent when and where it is needed.

We're having this debate on the sustainability of health care. Public health care, according to government cabinet ministers, is no longer sustainable. I would beg to differ. Certainly, we're going to see in this budget for this respective ministry some money being spent on public health care facilities for the public good. But when we look back at how some of this money has been spent in the past, one has to wonder.

I would like to have my copy of the public accounts before me to see if, for instance, IBM has been getting any money for supplies and services from the Department of Infrastructure and Transportation. I certainly know they're getting money from the department of health. In fact, we looked at the third-quarter update, and there was a significant increase in the third-quarter update on the amount of money we're spending on the electronic health records. I wonder what part of that budget, if any, is going to be directed toward IBM. Maybe I will get the answer to that question through the course of debate. I would appreciate it.

3:30

Certainly, Mr. Chairman, this interim supply budget is an example of a government that needs to spend a little bit more time on long-term planning. Now, last week I believe I compared this government to what I considered a hockey team where everybody wants to be the captain. The current captain is slowing down a bit, not on the power play as often as he used to be. He certainly still scores, but the 50-goal seasons are past. There are a couple of people, some of them playing on the same line, some of them I would consider good right-wingers, some of them more to the centre, and some of them to the left with their spending habits, you know, but they all have their eye on the C, on the captaincy. I think that may be one of the reasons, Mr. Chairman, why we are seeing this obvious lack of attention to detail in budget planning. This is why we are having this discussion, this debate, this afternoon on the interim supply estimates for fiscal year 2006-07.

The team needs an allowance. They certainly do. But how much? The minister's reasons earlier in debate certainly were valid. I think it is good that the overall department is essentially going to be looked after. Now, whether one-sixth of the budget is enough for the year for the department itself, that's hard to say, but certainly we can't say no when we look at the infrastructure deficit that has occurred in this province because of long-term planning.

I said in the Assembly here before, Mr. Chairman, that we only

have to go 400 metres east of here to see the rusting rebar poking through the concrete from the bridge over the North Saskatchewan River. There is significant pressure to have not only that bridge but other bridges repaired. We need to get on with a lot of things. Other parts of the country may look with envy at the budget surplus, but we need to continue to build this province through the Department of Infrastructure and Transportation.

Thank you.

The Deputy Chair: The hon. minister.

Dr. Oberg: Thank you very much, Mr. Chair. I would just like to address a couple of the points that were brought up by the hon. member. First of all, I thank the hon. member for alluding to the amount that we pay our civil servants. I, too, concur that we are in a very hot economy. My deputy minister, for example, is a structural bridge engineer, and structural bridge engineers are very highly sought after in the private sector. Therefore, we do have to ensure that they are compensated well enough so that we can take their full attributes within the government system.

A couple of other comments I would make though. I know that it's probably for no reason other than that the hon. member has never been in the government, but we actually start our process in about June or July of the year prior to the budget. I start my business planning process in June where we go through complete discussions with the department about the business plan. That starts in June and moves through to July and August. We do not necessarily receive our final dollar amounts until later on in October, November.

The whole budget process is a lot more than simply receiving a dollar amount from Treasury Board. It does take a lot of planning; it takes a lot of time. Quite simply, it's usually around an eight- or nine-month process. Then ultimately what has to happen – and I'm sure the Finance minister can speak for herself – is that it has to be printed. It has to be made sure that there are no mistakes.

The hon. member was talking about the interim supply. Quite simply, Mr. Chair, if the budget were announced – and it's my understanding that the budget has been announced for the end of March – and if the opposition were to simply say, "We agree with the budget, and we don't need to debate it," so that we can get it in by April 1 and get it done, then the hon. member is absolutely correct: we wouldn't have to do interim supply. We could simply say: yes, thank you very much, and thank you for recognizing our very comprehensive budgeting process. It would simply be passed, and we would be able to get on with business. But this side believes in full democracy, and we're going to debate the bill. We're going to take a look at each specific department, which is going to take around 24 or 25 days, a day for each department or a session for each department. That is the reason, quite simply, why we need the interim supply. As the hon. member correctly stated, we have to keep on building the infrastructure. We have to keep on with what is happening in Alberta.

The only other comment that I would make is about the issue of the 25 per cent cost increase. Over the past nine or 10 years the construction costs have been averaging around 3 or 4 per cent. All of a sudden last year it went up 25 per cent, and that was for a combination of reasons. What you saw – and I apologize for the allusion – was a perfect storm coming together. You had a shortage of labour, and the labour prices were going up significantly. You had a shortage of steel, and the steel prices were going up as well. The third thing which happened is that we actually ran out of cement in this province, and the shortage of cement actually also led to the increase in costs. So you had this whole vortex of three or four different things that all hit at once, which led to this inflationary

pressure of 25 per cent. That is something that was in both the public sector as well as the private sector, and those numbers are certainly recognized.

The hon. member made another interesting comment about the price of steel. I, too, have seen that the price of steel may well be coming down. This was not expected by our industry; it was not expected by us. There are so many factors that deal with what is happening in China and what is happening with the steel manufacturers of the world that it was very difficult to perceive. It's difficult to perceive that this is going to be a long-term trend and we'll actually get back down to the prices that we were paying four or five years ago. Or is it simply a downturn because economies around the world have become so overheated that they have bought the steel, and simply they are not buying more right now? So it's very difficult to establish what exactly the reason and rationale are.

I have heard rumours that the country of China last year utilized roughly 200,000 metric tonnes of steel and that, in fact, that may rise to 400,000 metric tonnes. I don't know if that is true or not. The issue is that it's a supply-and-demand market, and my understanding is that the supply of steel in the world has actually increased to the point where we are seeing a bit of a decline in price. As I stated earlier, Mr. Chair, I don't know if this is going to continue. I don't know if we're going to continue to see this.

What I will suggest, though, and what our industry counterparts are telling us is that the 25 per cent is not going to be the norm. We're not going to be seeing 25 per cent inflationary pressures over the next year. As a matter of fact, we're in the process of budgeting around 6 per cent, so we hope that we are over. We hope that it will be under that, but we are budgeting for a 6 per cent inflationary trend.

Mr. Chair, the hon. member has hit exactly what the issues are. We're asking for this money simply to keep our department running for the next two months as well as for the grants to other organizations such as municipalities. That's why we're asking for the dollars. For us to lose two months in April and May would be absolutely catastrophic for the road building industry as well as the infrastructure construction industry in Alberta. Therefore, we do have to continue. We do need the interim supply. I thank the member for his comments.

The Deputy Chair: The hon. Member for Edmonton-Beverly-Clareview.

Mr. Martin: Thank you, Mr. Chairman. I think we all admit that we have in this province right now an infrastructure deficit, but I think the blame, frankly, has to go back to when we got preoccupied. To me there are three sorts of deficits you always have to balance off in government: the social deficit, and we're talking about the human services; the bottom-line deficit, which we got preoccupied with in the '93, '94, '95 period; and of course the infrastructure deficit. There has to be a balance there. I would suggest that we lost that balance and concentrated only on one area at that time.

The problem that that created – and I think the minister would agree – is that now we are facing a massive infrastructure deficit, so we're playing catch-up. Unfortunately, when you do that, the catch-up becomes more expensive because now we're into the boom economy. The minister alluded to it. We're into the boom – shortages of labour, steel, and cement, I think, are things that he talked about – but certainly when you're in a boom, the costs go up. We know that.

3:40

It would have been much better to have at least balanced that off during the times early on in the '90s. Some of these needed infrastructure projects would have come in much lower at that time.

There's no doubt about that. So now we're playing catch-up, and it's a matter of how much you can do in any given year. That's where we're at. I would hope that in the future we would recognize that we can't put all the eggs in the one basket.

It's had an impact on health care and education, and I'd think that a previous Minister of Education would recognize that. So, hopefully, we've learned from that situation that there has to be a balance.

I want to just follow up with P3s though. The minister is an ardent advocate of P3s, even though I think that even he would admit that the history has not been very promising. In Nova Scotia a Conservative government got rid of them after a Liberal government brought them in. In Britain they've been a disaster. We've even had some experiences here with the Calgary courthouse and so forth.

I want to go to what I was trying to get at in question period about Anthony Henday. The figures that we have now come to the 25 per cent. Admittedly, when the P3 was announced on the 22nd – the reason I'm reviewing this is because I think it has implications for the Calgary ring road and any other P3s we may look at – it was \$300 million for the 11-kilometre stretch of road connecting highways 2 and 14. Now, 16 months later the cost is \$493 million, a 60 per cent increase. I know that the minister said – and it's correct – that there were changes that occurred in there. As I understand it: two additional bridges, additional kilometres, six lanes instead of four lanes, maintenance, and so forth.

I guess the only question I would have there is that if the people in his department thought that \$300 million was the cost, are we getting the Cadillac version or not? I think that's an important point, but I'm more interested in the later figures. On January 27, 2005, you'll recall, the government news release said that it would have cost up to – up to; that was an interesting way to put it: up to – \$497 million to build the southeast ring road using conventional public financing. They said that the P3 was only \$4 million less costly compared to the original government claim of a \$30 million savings. So \$493 million. As I recollect it, the drift of that particular release was: boy, we're going to save \$4 million because it could have cost us up to \$497 million.

Then we had that internal report around here – the public-sector comparator was an internal government document, and the minister is aware of it – that showed that the southeast ring road would have cost between \$452 million and \$497 million using conventional financing. In other words, instead of costing \$4 million less as a P3, the project was just as likely to cost \$41 million more. Now, that was not on the original release. So you see the skepticism starting here, Mr. Minister.

Then on May 19, as I recollect, the day after the Legislature closed down, we got the actual public-sector comparator done by PricewaterhouseCoopers. They told the government that building the road using public financing could cost as little as \$422.3 million or as much as \$487.3 million. So you see the scepticism. That's very different than the conventional spin that it would cost \$497 million. All that's lower when we get the results of the public-sector comparator.

I know that the minister says – and I'll come to some of the questions on the Calgary ring road – that it's not a debt if you're paying \$32 million a year. Well, I understand the old saying: when it walks like a duck and quacks like a duck, it is a duck. It's still money coming out of funding for the government in the 30 years hence. We'd be paying \$32 million on that Henday project over that period of time. So in actual result that's about a billion dollars that we're going to be paying over a 30-year period. Now, I know that it's convenient because it's not going to be put on the government

books as a debt, but the fact is that we'll have to pay that every year for 30 years.

You know, I don't tend to be a structural engineer, but it does seem like a lot to build 11 kilometres and maintain 25 kilometres of road. I contrast that, Mr. Chair, with the 14-kilometre southwest portion of the ring road which will open in 2006, and that cost \$245 million using public financing. Now, admittedly, the southwest portion won't be built to the same level as this portion, but I think there's some comparison there. It doesn't include crossing of the North Saskatchewan River and three major ravine crossings, and that was done for the \$245 million. Then, of course, we know that on December 5 there was a report in the *Edmonton Journal* about some problem with the bridges, some changes to the bridges. I know that the minister will say that that's going to be covered, but that is worrisome when that starts to happen right at the beginning of the project.

That's my point, Mr. Chair: it's hard to get a handle in terms of these P3s. I've learned, having worked in the private sector, to respect their expertise. I don't think they're going to P3s because they want to do a favour for the taxpayers of Alberta, that they're going to do it for less somehow. The profit motive is there.

I'd just like to go, then, very quickly, Mr. Chair, into the more recent announcement flowing from that about the Calgary ring road. I have here the news release, and it has questions and answers. One question is: "Why is a P3 being considered for this project?" Partly it says: "The project's scope and lack of environmental and geotechnical issues are other factors that favour the P3 process." Now, nobody knows what that means particularly. It probably means that it's easier to build. That's what I would think.

Dr. Oberg: It means that it's flat land.

Mr. Martin: Yeah. Easier to build. Right. We wouldn't want the private sector to have to do anything that's more difficult.

"What are the advantages of using a P3?" "One is the project could be built and in service two years earlier." Second, it "would be completely free-flow" and so forth. What I don't understand about that is: if we put out a bid and said that this is what we want and this is the time frame that we want, as we do in most other areas, why couldn't you bid that and then build the conventional way? Just put that as part of the bid system. It's been done before. I don't see why a P3 necessarily – if you put the same criteria there, why can't you do it in the conventional way? – somehow you can do earlier. If the companies want to bid on it and you have a certain time frame, that's the way it should be.

The other – and I know I got the answer in question period today about the project cost – is: "Government will not release cost estimates until proposals are submitted to ensure a fair, competitive bidding." Well, this is a new way of doing it.

3:50

I'd sure like to know what sort of cost we're looking at ahead of time rather than a month before. We may have, then, three hand-picked groups bidding on it, but that's very different than even the previous P3s that were advocated. I think one of the reasons we could see for the Calgary courthouse and the rest of it is because we had some idea ahead of time. I really question that process. I think that to be more transparent is always important, that we should see that public-sector comparator ahead of time.

Then, I'll come back to just this last. I've said it before. "Isn't a P3 just another term for debt? No. The government is simply paying for the project over a 30-year period rather than all at once. The Alberta government would not start making annual payments

until after construction is completed. These would be budgeted as operating expenses over the 30 year period." The point is that we're still paying out of the taxpayers' pockets there, Mr. Chairman. Just to call that not a debt – maybe it's not a debt on your books, and that's probably what looks good, especially when you're going for the leadership, you know, but it is a debt that we'll have to pay over that period of time.

We have to look at those projects. The Henday is a billion-dollar project because it's a 30-year project. I really stress that I think the private-sector people that get into these P3s know what they're doing and they're going to make a lot of money on it. I still have never seen the advantage yet. I say, with all due respect to the minister, that with the figures we got from Henday and the differences that I've talked about, it leads to some skepticism. I think we have to do better to lay it out so we can begin to understand the Calgary ring road. Certainly, it needs to be done, but I've never seen a case yet where P3s are the best way.

Let me just conclude there. I just have one other question. We're getting a lot of ache about it from all over – and I know he is – about roads and because of the infrastructure deficit. The one is highways 63 and 28. I mean, this is a road that I think has special circumstances because of the tar sands, and that seems to be our main thrust of our economic development. I think we should be speeding it up. Now, I know we've announced some. I guess I'm trying to get a handle for people on how soon we could see the twinning between those two roads. What's the time frame now, the latest time frame? I've heard various estimates. Certainly, it's being pushed by people in Fort McMurray for sure, that they would like this moved as quickly as possible because there's going to be a lot of traffic on there.

Thank you, Mr. Chairman.

The Deputy Chair: The hon. minister.

Dr. Oberg: Thank you very much, Mr. Chairman. I assume that you will give me the same leeway to talk about things that are not in my interim supply that you just gave the hon. member to talk about when it comes to P3s.

Mr. Martin: It's in the department.

Dr. Oberg: Actually, in all fairness it is not part of the interim supply because the P3 has not been finalized in Calgary; therefore, it is not included in this budgetary item, but I will still talk about it.

Mr. Chair, a couple of things. The hon. member had talked about the potential of the boom and the paying off of the deficit and debt. Absolutely, paying off the deficit and debt was the thing that we were elected for as government in this province. It was the thing that people wanted us to do in this province. It did result in, though, some capital projects being put on the back burner. Subsequently, with the paying off of the deficit and the debt, we were able to start doing a lot of the projects that were out there. I think every hon. member in the Legislature has seen what projects are being done out there right now.

One of the things that we did not anticipate, though – and I challenge anyone in this Assembly to say that they anticipated it – was the huge amount of growth in the oil sands that took place over the last four to five years. The number of projects that have been announced, up to \$130 billion, realistically was beyond the grasp of anyone within the last 10 years. This is something that came out of the blue. It's a great news story. It's wonderful. It's a very positive thing for the province of Alberta, but it's not something that was anticipated five or six years ago, Mr. Chair. We are working hard to

recover. We are working hard to get the infrastructure and the transportation projects that are desperately needed in this province.

The other issue, and one of the things that you really have to remember, is that construction on infrastructure is about 7 to 8 per cent of what is happening in the province as a whole. As a government we do not control the prices. It is the private sector and the huge private-sector projects that are out there that actually control the prices. Unfortunately, we have to follow along because we have to compete with these prices as well.

The hon. member went on about the cost of the Anthony Henday, and I will give him an example. He was wondering about the massive cost of \$493 million. The city of Edmonton is looking at doing an interchange on highway 2 and 23rd Avenue. As the hon. member may or may not know, the price of that interchange is now up very close to \$140 million for one interchange on highway 2 and 23rd Avenue. It's absolutely massive what has happened to the amounts of these projects. It's \$120 million to \$140 million, so it's very huge. It's very significant. When you take into consideration that on the 20 or so kilometres of lane on the Anthony Henday we have 24 bridges that are in place on that road at \$493 million, it puts it into context, Mr. Chair. Obviously, it's a lot of money; \$493 million is a lot of money.

The other issue that occurred when it came to the P3 and the Anthony Henday – and this ties into the P3 in the Calgary project – is quite simply that the public-sector comparator, the \$300 million, was put out before the scope of the project was actually finalized. It was put out about a year to two years before, and it was purely an estimation at that time of what the costs would be to build that road. It was an estimation. What then occurred over the next 14 to 16 months, in which case the private companies went out and actually put in the bids, is that we upgraded the scope of the project. We upgraded the potential for appreciation in the project, and we built that in. The public-sector comparator states that we typically build in a 10 per cent contingency, and that 10 per cent contingency would be on top of the roughly \$478 million, \$475 million public-sector comparator.

We're not going to make that mistake this time, Mr. Chair. We're going to come forward at exactly the same time in exactly the same market conditions as what the private sector is going to do, and we're going to compare the bids. When you enter into a P3 – and I don't want to leave the impression here that we are philosophically or ideologically driven by a P3. Quite simply, if it is a good deal, we will do it; if it is not a good deal, we won't do it. We don't have blinders on that say that a P3 is the only way we're going to do it. We are conventionally financing many more projects than we are doing as the P3s. So I think that is a significant issue.

There's one other response that I think people really have to think about, and that is: when we conventionally finance, it is the private sector that builds the roads. It is the private sector that builds in profit into that particular contract as well. There is profit in the private sector when they build our roads, when we get the tenders in for our roads. On a P3 one of the advantages that we have quite simply is that the risk assumption is all on the private sector. For example, if a bridge collapses – hopefully, it would never collapse, but if there is something wrong with the bridge, in the next 30 years it is the responsibility of that consortium to ensure that it's fixed. They have the liability if something happens to that road over the next 30 years.

In a conventional financing method we typically get a guarantee of one to two years. The hon. member prior to this talked about the roughness in the road on highway 2 under the interchange. Well, because we conventionally financed it, we have a year to two years of a guarantee. If this was on a P3 project, for 30 years they would

have to take that accordion type of road out of there and they would have to fix it properly.

There's also the reference made to the girders. Yeah, the girders were not to our specifications. What they actually were was higher. They had actually put in higher specification girders. Our people picked it up and subsequently looked at it and gave them the opportunity to prove that they were higher, and yes, indeed, they actually were a higher specification. The rationale for that was because the contractors felt that it would lead to less maintenance down the road if they built it to a higher quality than what our specifications and standards actually were. We tend to see that on P3s as well.

4:00

The other issue: highway 63. Again, this is a very good example because with highway 63 I am having to take money out of my budget. I'm potentially having to reprofile it. Hopefully, I won't. Hopefully, the Finance minister will have mercy on me and not make me reprofile it. Ultimately, I may have to reprofile it. The key is that I have to do all of these things because I have to come up with the money in the three or four years. I have to come up with the cash dollars in three or four years to ensure that that road gets done. It is a very high priority for the citizens of Alberta, not just the citizens of Fort McMurray, so I am attempting to do it in whatever fashion I can. If it was a P3 – and it's not a P3 for some specific reasons – then I would be paying for that over 30 years, and I would not have to come up with all of that money. I would not have to reprofile it all at once.

The other issue – and I'll use the Anthony Henday as an example – is that because we're paying for that over 30 years, because the \$500 million is spaced out over the 30 years, it gives me the ability to deal with the rest of the infrastructure deficit that is occurring in Alberta. Quite simply, if I had to take \$500 million and pay that cash up front, which is a conventional form of financing, we would not be able to do it. We have felt, and I certainly feel and I certainly agree, that the P3 proposal, the risk assumption, the maintenance, the higher standards: all of this is a very positive way to do it. But I do not have blinders on. That's why we're doing a public-sector comparator. That's why we're looking at the process. That's why we're looking at the bids. We will determine if it is indeed a good deal for the taxpayers of Alberta.

Just for your information as well, this is exactly what the Auditor General stated when he looked at our budget. He said that P3s have to be considered, that they should be considered, that the process should be so that it's a real public-sector comparator so that the public-sector comparator comes out at the same time that the bids are open. So we are quite simply following the process and the recommendations of the Auditor General.

The hon. member makes an excellent point when it comes to what happened in Nova Scotia, and one of the things that I am attempting to ensure is that that absolutely will not happen here. We have seen what occurred in Nova Scotia. We have seen what befell some of the P3s before, and we're attempting to go around that. But, again, if it is not in line with our public-sector comparator, quite simply, we will conventionally finance it. It will take longer because I will not be able to take X number of dollars out of my budget and simply build that road. It's going to take a longer time. It may not be a road that is completely finished, with all the interchanges, because we will be scrimping and saving and potentially using that interchange money somewhere else.

I don't think anyone here, especially those members who are from Calgary, wants another road such as the Stoney Trail NW, where there are going to be some lights. We want it free-flowing; we want

to keep the traffic moving. For anyone who has been in Calgary in the last while, you know what it's like not to have free-flowing traffic on the Deerfoot Trail, where in essence, in many ways you're sitting there for a period of time, 15 minutes to half an hour to three-quarters of an hour, in absolute gridlock.

An Hon. Member: A slow-moving parking lot.

Dr. Oberg: Yeah, a slow-moving parking lot. Absolutely.

So it's imperative for the citizens of Calgary that we get that road done as quickly, as quickly as possible, and that's what we're endeavouring to do with this.

Just in my final comment I would ask the hon. members, when they're driving to and fro on highway 2, to take a look at the huge amount of progress that has been done on the Anthony Henday because of the winter. We may well be significantly ahead of schedule when it comes to opening that road because of this winter. The roadway, the overpasses are looking absolutely excellent, and I think it's going to be a great deal.

Lastly, the other key component to this is that I can tell you and I can tell this Assembly when that road is going to be done. That road will be done in October of 2007 because, quite simply, if it is not, on November 1, 2007, there will be a million dollar penalty. On December 1, 2007, there will be a million dollar penalty. And so on and so on.

So I believe it is a good deal, and I believe it's something that we need to continue on, but we will take a very close look and ensure that it is in the range with the public-sector comparator, Mr. Chairman.

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

Mr. Taylor: Thank you, Mr. Chairman. I'm going to combine a couple of different departments here, if I could, and direct my questions to the Minister of Infrastructure and Transportation because I know that he has also today graciously agreed to answer questions as he can on the interim estimates for Advanced Education. So if I can kill two birds with one stone and ask a couple of questions in both of those areas.

I see that we're looking at \$1,040,000,000 for Infrastructure and Transportation to get us through the next two months and somewhere less, \$362 million, for Advanced Education to get us through from the beginning of April to the end of May. As always, because the document that we're provided with, of course, the 2006-2007 Interim Supply Estimates, is just a series of line items in a budget, I'm always curious as to what we're actually spending the money on, cognizant of the fact that as the Finance minister said in the House the other day, this is not a straightforward one-sixth of the budget for each department, that there are certain expenditures that have to be undertaken at this time that cover you off for year-end and so on and so forth. How much of this in both departments really constitutes this sort of once-per-year expenditures, and how much is ongoing funding to keep the lights on and the employees paid and so on and so forth for the next two months?

The numbers, of course, are huge, and they do cover one-sixth of the operating fiscal year for both departments. Infrastructure and Transportation, obviously, is a special case these days because we are trying to address the considerable infrastructure deficit that has been built up in this province over the last 13 years, an infrastructure deficit caused in part by the government's decision to make paying off the debt the priority. I know that the government feels that that was the direction it was given from the people of Alberta. Nevertheless, we ended up with the mortgage paid off on a house with a leaky roof.

Of course, part of the infrastructure deficit has been exasperated, or exacerbated – exasperated if you're stuck in traffic on the Deerfoot – by the fact that we've had so much economic growth and so much population growth in this province over the last dozen years. I wonder if the minister on behalf of both departments could give me an indication with each budget here, with each interim estimate: how much is for the kinds of once-per-year expenditures that the Finance minister was talking about in the house earlier this week, and how much is for ongoing expenses?

Then I'd like a sense of why it is that we can't bring those numbers more in line with the fiscal year. I mean, budget day is going to be, as the Finance minister announced I think yesterday, Wednesday, March 22. Yes, there is a set period of time to debate the budget. Nevertheless, we're not far off the beginning of the next fiscal year, I would think, before we've completed debate on the budget. The question that always nags at my mind – and maybe I should be directing this to the Finance minister as well – is why it is that her department can't get an earlier start on the budget and have it ready in time for us to debate and vote on, carry through the process, and have it in place with or without amendments in time for the beginning of the new fiscal year.

Back to the Minister of Infrastructure and Transportation for a moment, if I can, I wonder if within the context of the \$362 million in interim supply estimates for Advanced Education he can tell me if any of that money and, if so, how much of it is going towards actual infrastructure issues within the Ministry of Advanced Education. According to the throne speech I think that there were 47 capital projects in Advanced Education planned or under way. I'd like some sense of what those are and how those are proceeding.

4:10

I think I'll leave it at that because I know that the minister wants to respond; perhaps the Finance minister does too. I know that we have other speakers, and time is always of the essence.

Thank you, Mr. Chairman.

The Deputy Chair: The hon. minister.

Dr. Oberg: Thank you very much, Mr. Chair. Very briefly, I'll reiterate. The hon. member may not have heard what I initially said about Infrastructure and Transportation and the initial breakdown. In essence, there is \$400 million which is for the municipal partnership grants. So \$400 million out of this slightly over \$1 billion is grants that go out at the beginning of the year. These are not grants that are prorated on a monthly basis. They're grants that go out specifically at the beginning of the year. There's another \$25 million there for capital and accommodation projects. These are, in essence, leases and lease upgrades that we are on the hook for, that we have to follow through with. There's no way around that.

Mr. Chair, the other \$400 million on the operating side is for the running of the department. It's for wages. It's for salaries. It's for equipment. It's for all the things that it takes to keep my department running.

You have to recognize that for my particular department these are probably the busiest two months of the year. April and May are probably the busiest two months purely because it's the start of the construction season, and we are working very hard on that. There's \$207.4 million, Mr. Chair, that is there for capital projects. This is quite simply paying for the work that is being done.

So that is what is included in my departmental estimates.

On the Advanced Education side there is roughly \$344 million in operating expenses. If I may, I'll just break it down for you here. The ministry support services is around \$3.4 million; the program

delivery support is about \$6.6 million. These first two are actually staffing. Program delivery and ministry support are staffing, so in essence these are salaries paid to people for those two months.

There's assistance to the postsecondary institutions. These are the grants that go to the institutions so that they can pay their staff and so that they can do the things that they do, and that's \$266 million. In direct response to the hon. member's question, there's 45 and a half million dollars for the infrastructure capital for postsecondary institutions.

There's also another \$17.7 million for support to postsecondary learners. What that is is student loans as well as scholarships and bursaries. There are scholarships and bursaries that are determined and paid out during that time frame. There's also another \$17.4 million that is nonbudgetary disbursements, and this has to do with the student loan component of it. These are nonbudgetary disbursements that must go out to students. These are for people that are receiving their student loan payments. The apprenticeship delivery: 4 and a half million dollars.

Again, as I say, that is simply paying the wages of the people that are there and paying the wages of the department.

So, Mr. Chair, I feel that although I am reading what the hon. Minister of Advanced Education – I do have a slight bit of knowledge of what occurs in Advanced Education, and I really have absolutely no problems with this. We have to keep our advanced education institutions running. We have to keep the learning system running. Quite simply, if we went for two months before we received the budget and shut down, it would be catastrophic indeed. I know that it is not the intent of the hon. opposition to shut down the postsecondary system.

So that's the breakdown. I'd be more than happy to answer any other questions on it, Mr. Chair.

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

Mr. Chase: Thank you very much, Mr. Chair. A series of questions. I asked earlier in the House as to where our infrastructure debt or deficit stood, and the minister responded, I believe, that it was somewhere around \$7.2 billion or \$7.4 billion. So it's an extremely large deficit. At one point the minister suggested what I was a little bit concerned about, trading one sort of debt for another, and that was the possibility of borrowing to eliminate this current deficit. Like the minister I very much wanted to see this deficit removed, but since that initial thought I'm just wondering if he could share other solutions in terms of a year-by-year payoff, a percentage of the surplus or whatever, that may have come up.

The minister is well aware that I see P3s as a gamble, and I think he does in a sense as well. We're basically gambling with P3s that our short-term gain, the money we save up front in cost overruns, will not be cancelled by the long-term pain of 30 years of fluctuating interest rates that we have no control over. My feeling is that we should be paying for things with the money we currently have and not putting our future, our children and grandchildren, further into debt.

I would like to get an update, if it's possible, on how we're coming along with the Tsuu T'ina land acquisitions. I'm wondering specifically: will we ever know – or when will we know, not will we ever. I hope we'll know at a defined time. When will we know how much we're paying provincially for land acquisition for the Tsuu T'ina land to run the ring road through?

There's been a lot of discussion held at the city of Calgary, which is where it should happen because this is going to be impacting the city, as to whether we should have two entrances to the reserve via Southland Drive and 90th Avenue. My understanding is that the last

time this was discussed, there was going to be, at least at this point, the possibility of a single access via 90th. The people of the communities were concerned about a double access. I know Alderman Erskine did his best in terms of sending out a series of surveys and holding a number of public meetings about these concerns. I hope that that gets resolved.

I agree very much with planners from both the province and the city that in order to be able to decide on future routes, we have to acquire the land now. There's no doubt about that. The city would completely be frozen if we didn't have the land for those alternatives. Again, this sort of relates because a little further down that road to the north is the Tsuu T'ina Nation, and they have a large say.

I'm very concerned as the critic not only for Infrastructure and Transportation but in my role as the critic for parks and protected areas. I'm hoping that the details for the crossing of the Elbow River will be forthcoming. I've talked about the wonderful bridge we have across the Bow on that particular stretch of the ring road. I've indicated that from a passage of animals, birds, people, et cetera, and from a noise level, I'd rather have the noise sort of above and beyond than concentrated. I've also indicated that for movements I don't want a low bridge which impedes the transition of animals and humans within the Weaselhead park wildlife conservation area. So if you have any details, Mr. Minister, with regard to the bridge and its construction, that would be very much appreciated. I know that there are a number of people in Calgary who are concerned about the preserving of that wildlife area.

The other part. Possibly the minister will discuss this. It seems that the Premier does not want the surplus dollars to be debated in this House. In his belief the surplus, for whatever reason, is solely the responsibility of the government to decide how it should be expended. The government has talked about a three-part plan. Please, Minister of Finance or minister of infrastructure, correct me if I'm wrong, but it seemed to me that the gist of that plan was that one-third of it was supposed to go into savings. What has happened is that we put \$1 billion in, and then we took \$2 billion out, so I'm not clear about how the surplus can go to resolving the infrastructure problem.

4:20

Again, possibly I misinterpreted, but I thought the second third of the whole would be to pay down infrastructure. My understanding is that approximately \$2.2 billion or thereabouts would be put into paying down the infrastructure debt or financing future infrastructure projects. Then the third, that I have the most degree of difficulty with – and I'm sure there are members opposite who have difficulty as well – is that there seems to be the third which the Premier has granted to himself as whatever he sees fit. Last year, in his wisdom, he saw fit to go with \$1.4 billion in terms of \$400 one-time rebates.

An area that I praise him for seeing fit – I just would like to have been a part of the discussion – is the \$1 billion in terms of supporting cancer. The last I heard was that that \$1 billion is now a half billion, and I'm not sure how that billion translates directly into infrastructure support; for example, the Tom Baker cancer institute and whether it's going to be relocated, added to, or just what the possibilities are.

The Liberals have put out and stuck to recommending a plan for the surplus which would see 35 per cent of all future surpluses put into a postsecondary endowment fund so that we would have steady funding in addition to general revenue. We also recommended the idea of 25 per cent into infrastructure projects, and ideally there is the balance between paying down our current infrastructure debt and allowing for future growth. I tend to be, in this case, somewhat fiscally conservative because I would like to see that infrastructure

debt dealt with, but I'm very aware of the demand for a whole variety of areas: the 60,000 new spaces at the postsecondary by 2020; the 15,000 by 2008. Obviously, if we're going to create those spaces, which are great investments, we have to balance the paying off of the infrastructure debt and the creating of the new spaces. This is extremely important.

Calgary is without 40 schools in its suburban areas, and the flawed formula is causing inner-city schools and programs to be closed, but there's no payoff in the sense that very few new schools are sprouting up in suburban areas. So I have concern about paying for those schools and, again, balancing the debt and the need for the new growth.

We have recommended that 35 per cent of all future surpluses be saved, and that's a pretty clear statement. Basically, whatever our surplus is from here on into the future, one-third of it would be saved. It wouldn't be an in-out process. It would stay in. Endowment funds would be created.

Lastly, because we have a concern and, unfortunately, we have no ministry for arts and culture, we would see 5 per cent of all future surpluses expended for arts and culture. Our idea is to build up a \$500 million endowment fund, which would support a variety of activities: dance, theatre, enticing individuals to expend their money on filming in this province. What it would do is provide a set amount of money that people could depend upon. All they would have to do is look at their portions of general revenue and then top it up by the amount in the endowment funds that would be set. As soon as we had a surplus figure, you'd know that these groups were able to participate in this endowment fund.

I look forward to whatever answers the hon. Minister of Infrastructure and Transportation can provide. A lot of this money is hopefully going to be expended in the Calgary area. As well, we're having the problems with the water treatment plants. I know it's a balance act, and I very much appreciate that you and your caucus are making hard decisions. How do you pay down the deficit? How do you maintain the growth?

Thank you. I look forward to your answers.

The Deputy Chair: Hon. Minister of Finance, did you want to supplement answers?

Mrs. McClellan: Can I just clarify – the hon. member may not have heard my comments at supplementary estimates – on two points only? On the unbudgeted surplus, hon. members, please do not say that these are not debated by the Legislature. They are. No money is expended until it is passed through this Legislature. This is, in fact, a fact. In fact, a fact. I have been quite quiet about correcting this, but I won't be in the future. The fact is that while you may say that we are going to put out \$1.3 billion in health projects in a quarter, which nobody, I think, would deny were needed, particularly the MLAs in Calgary as I think four hospitals were affected by that announcement, and they know they need the space, and they want them done. But, in fact, until that supplementary estimate came into this House and was approved by this House, those dollars did not flow. Frankly, if the House turned it down, the project would not go. I want to make that clear.

So please understand that while we may make a decision on a project's recommendation . . .

Mr. MacDonald: What about the prosperity bonus?

Mrs. McClellan: That was in the House. In fact, I had to amend the act. The member is asking about the prosperity bonus, as he called it. If you were in the House, you were part of the debate where I

amended the act so that it could be tax free. That's the other one that needs to be corrected.

So all I ask is that we get the facts right and that we use them in the right manner. I try to be straightforward. I try to give you the answers. When I go out and about, which I do, and I'm told that these things are being said, I say: well, they must have misunderstood. You know what? I'm not going to say that anymore because we're having the conversation. These are the facts.

You can criticize the fact that we may make a decision to recommend that the Foothills hospital, the Rockyview hospital, the Peter Lougheed hospital, and the Children's hospital or whatever other institution gets X number of dollars of funding between budget cycles, but until that supplementary estimate is debated in this Legislature and passed, that, in fact, does not happen. As I say – let me make it clear – if this House decided not to approve that estimate, that project would not proceed. So I want to make that clear.

The other one that I wanted to just clarify for the hon. member is on the heritage fund and the \$1 billion investment and why we just take the money out. I did explain at the time that it was necessary because it would require a change in the legislation, and we wanted to put those dollars in the fund. We have the option of making an amendment to that legislation and not flowing the funds. The difficulty that I have with doing that at this point is that we count on that some 1 billion dollars of revenue from the fund for programming spending. If you didn't have that money in a year, if your surpluses were not there, I would have to find \$1.2 billion or \$1.1 billion or \$950 million, whatever it was in that particular year of the investment, out of program. Well, Health, Education, and Advanced Education take well over 60 per cent of our budget. You know where you'd have to go because the small departments simply don't have it.

So until we can be sure that we have a reliable revenue stream to satisfy our program expenditures that have to occur for needed services, I would be somewhat reluctant to make that change yet. I am not reluctant to put the billion dollars of monies that are surplus to our needs into that heritage fund. That stays as a permanent part of the fund, and we will realize the investment off that fund. Those dollars, again, can be used for well-needed projects.

I'm open to the idea, but it's a little like health premiums and education property taxes. You have to replace the money. You know, you just simply do. And that's a tough question to answer. We want sustainability. I've been here when we had to reduce budgets. It is not a pleasant experience. It is not easy to ask our public service, as we did, to take a 5 per cent reduction, to have to lay off valued employees in all of those services. So we want to make sure that we can sustain those needed expenditures. I look forward to that debate in the budget as to how we could spend those dollars better. I'm always looking for ways to do that. But I did want to make that comment.

4:30

We did not make a definitive decision on surpluses as to a percentage. I've said that while there's a fair amount of value in looking at a third/a third/a third – maybe that's the right number. Maybe it's 20-40-40. Maybe it's 25-50-25. I don't know. We can debate that. But for the past year, because of the infrastructure needs that we had with the capital requirements with the heavy growth we're experiencing, we did not want to tie ourselves to that, understanding that there were some very high capital needs out there that had to be looked at. But we did make the commitment that the unbudgeted surplus, or the monies that are surplus to our ongoing operating needs, would be spent in three ways: smart spending –

that's what we consider capital investment, as an example; giving back – that can be a rebate cheque, it could be a tax reduction, it could be a number of ways that you give back to the citizens; and, of course, endowments and savings.

I'm very proud of the fact that this year we've been able to put \$750 million into our access to the future endowment – that's great; I'll be even more thrilled when that's fully funded – that we were able to add funding to our tremendously successful Alberta Heritage Foundation for Medical Research to raise that, to add dollars to our scholarship fund and, of course, to the ingenuity fund or the science and engineering fund. So those are great investments. I look forward to our being able to add to those and fully fund them in the future.

I just wanted to clarify those two points for the hon. member because I think he asked the questions with an actual interest in knowing the answers. So thank you very much.

The Deputy Chair: The hon. Minister of Infrastructure and Transportation.

Dr. Oberg: Thank you very much, Mr. Chair. First, just to very quickly deal with some of the questions that were just raised. The land for the Tsuu T'ina, the cost of land: our appraiser will be in somewhere between April 15 and May 15, somewhere in that time frame. The advantage that we've had in dealing with the Tsuu T'ina is that we were able to agree actually on one appraiser, which has shortened up the time frame quite considerably because typically what occurred in the past is that we would pick an appraiser, the Tsuu T'ina would pick an appraiser, and then there would be a third appraiser who would take those two appraisals and decide which one is actually correct. We were able to agree on the same appraiser, so we hope to have that between April 15 and May 15. There were some delays in doing that, in getting the actual assessed value and the assessed amount, but I met with the chief last week and I understand that everything is under control on that now.

We are working as fast as we can on the Tsuu T'ina. We're attempting to get all of the details in place. There still are some details that are outstanding, but we're fully confident that everything is moving forward as opposed to moving back. One of the big kickers in all of this, though, is that whatever we do, whatever we decide on does have to be taken to the federal government because any time you get a change in the reserve land, it has to be taken to the federal government. It does have to have their approval. It has to have full environmental impacts as well. So all of these things have to occur prior to this project moving ahead.

But I can stand here today and say that I'm very confident that we will get this done. I'm very confident that this will be seen through to its conclusion, and I have nothing but praise for what the members of the Tsuu T'ina band have done. They have been excellent to deal with, and I have absolutely no issues with how things are being done. We're working together as fast as we can to get this in place, and we hope to have it done very, very soon.

However, as I stated, it still is very much in the federal government's hands as to what does or does not occur, but I'm very confident that if Tsuu T'ina and if myself and the government of Alberta go forward to the federal government, they won't say no. Failing that, I've just heard that the Prime Minister is actually from Calgary, and I don't really think that he would want all the people from Calgary writing him a letter stating that they did not want this ring road. So it certainly, I believe, is going to go full tilt and should be there.

[Mrs. Ady in the chair]

The hon. member also asked about the bridge. I don't have the exact structural details of the bridge, but we are very cognizant of the Weaselhead, and we're doing everything we can to ensure that the Weaselhead is protected. We will be having full environmental impact studies over that area to ensure that there is no or at least very, very minimal environmental impact. Any time you have a freeway going through an area, realistically there is going to be some environmental impact. We wanted to keep to a managed environmental impact, and we want to ensure that it is done for the betterment of the citizens of Calgary.

The other comments that the hon. member made were about P3s, and I really believe that much of the comments – you can probably read in *Hansard* – were to deal with my comments prior to this.

So with that, I would sit down. Madam Chair, I understand that I am also doing the estimates for the Department of Health and Wellness, so with your concurrence, I would start there, if that's okay with the opposition.

The Acting Chair: I'm sorry, but I also still have Edmonton-Gold Bar on my list. Would the hon. Member for Edmonton-Gold Bar like to speak on this before we move on?

Mr. MacDonald: Madam Chairperson, no. If the hon. member, in light of the time, would like to get started, that's fine.

Thank you.

The Acting Chair: Okay. The hon. Member for Lethbridge-East.

Ms Pastoor: Thank you. I'll be very quick. I just wanted to have a small conversation. We've all heard how you're juggling the money, but I happen to come from outside of the magic corridor of Calgary-Edmonton and the other magic city of Fort McMurray, and I'm worried about highway 3. I'm not sure that putting passing lanes is the answer, and I'm just hoping that you haven't juggled money out of that project, which probably isn't good to begin with – it really needs to be twinned – to help the other part of the province. Yeah, we seem to be out of that loop, and I want to make sure that we stay in it.

Dr. Oberg: Thank you very much. Madam Chair, I just want to assure the hon. member that Lethbridge is always in our hearts in this government, especially considering that the newest city in Alberta, Brooks, is very close to Lethbridge as well. So it's always in our thoughts, it's always on our minds, and it's always in our hearts.

In saying that, though, Madam Chair, there are a couple of things that are very interesting on highway 3. The hon. member is absolutely right: we're going to be putting in roughly 24 kilometres of passing lanes, which is going to alleviate the problem. It is not going to solve the problem.

There are several issues when it comes to highway 3. First and foremost, when it comes to the actual transportation down highway 3, the biggest bottleneck is in the Crowsnest Pass. That's why we're concentrating on doing that first and foremost in Crowsnest Pass, to get a satisfactory route through the Crowsnest Pass. There have been a lot of representations made to us about the south side of the valley and how that is not – I stress: is not – a route that we should be undertaking because of the watershed and all sorts of other issues. So we're currently doing the engineering on going through widening the existing road, making it four lanes, trying to get the speed limit up to around 80 kilometres. Because of the location of the road I don't believe that we can get it up to 100, 110, 130 kilometres. I think, quite simply, that it would take too many houses if we were

to do that, and there is not a wide enough valley; there's not room enough to do that with the road.

4:40

The second area that needs to be addressed on highway 3 is actually the bypass around Fort Macleod. I think that for the people who live in Fort Macleod, this is a critical issue because Fort Macleod is one of the few communities in Alberta that has actually seen a decline in its population. Subsequently, one of the issues that has been brought to my attention is that people are not planning businesses there because they are afraid that the traffic is all going to route around, and they want to see ultimately where that routing will take place and when that routing will take place. So I feel that this is certainly a priority as well.

Travelling east, there are significant other priorities on highway 3 also. Probably the next biggest one is right around Medicine Hat. What we have around Medicine Hat is highway 3 that kind of weaves around the airport, which limits the length of runway of the airport in Medicine Hat. It also causes a great deal of consternation because all the traffic that goes through highway 3, which, by the way, is our number one route for transportation to the west coast, now goes right through Medicine Hat as opposed to a bypass. So we're currently looking at how we can bypass Medicine Hat. This is with the direct concurrence of the mayor and the MLAs with respect to Medicine Hat, and everyone is in favour of this.

So those tend to be our priorities on highway 3. As the hon. member, I'm hoping, can tell, we have actually spent a fair amount of time on designing highway 3, and it is not out of our thoughts. It is a very important, critical transportation corridor and part of the supply chain. The route out to Vancouver is an essential component for businesses in Alberta.

The Acting Chair: The hon. Member for Lethbridge-East.

Ms Pastoor: Thank you. If I might have a supplemental. You didn't give me a time frame on that. I realize that a lot of work has been done on it.

The other thing: is not the land already gazetted for the Canamex highway? How does that affect around Fort Macleod? I believe that land is already gazetted.

The Acting Chair: Time.

Dr. Oberg: If I may, Madam Chair. The land is gazetted. We know where it is. But what is happening in Fort Macleod is: quite simply, they want to know when it is going to occur. What I'm attempting to do is move up these projects. I gave you the priorities of how I see the projects unfolding on highway 3, and I think there's a fair amount of rationale for that. There's no point in making a good trade corridor and then have it bottleneck in the Crowsnest Pass.

So that tends to be the direction we're going. It is contingent on budgetary constraints. The budget will be occurring within the next couple of weeks, and we'll be able to talk more about it at that time. But these are certainly our high priorities in the government of Alberta and, I'm sure, with all citizens of Alberta, especially those citizens in the southern part of the province, although because of the incredible importance of the supply chain, it should be of incredible importance to everyone in Alberta.

The Acting Chair: Okay. Seeing no other speakers, does the committee wish to vote on the estimates for Infrastructure and Transportation before we proceed to the estimates on Health and Wellness? Seeing no one standing, I will go ahead then.

Infrastructure and Transportation

Agreed to:

| | |
|---|---------------|
| Expense and Equipment/Inventory Purchases | \$832,400,000 |
| Capital Investment | \$207,800,000 |

The Acting Chair: Shall the vote be reported?

Hon. Members: Agreed.

The Acting Chair: Opposed? Carried.

So we'll now turn it over to the hon. Minister of Infrastructure and Transportation on Health and Wellness estimates.

Dr. Oberg: If I may just add a point of clarification: it was my understanding that we had also done the Advanced Education estimates.

The Acting Chair: So we need to vote on those? Okay.

Advanced Education

Agreed to:

| | |
|---|---------------|
| Expense and Equipment/Inventory Purchases | \$344,700,000 |
| Nonbudgetary Disbursements | \$17,400,000 |

The Acting Chair: Shall the vote be reported?

Hon. Members: Agreed.

The Acting Chair: Opposed? Carried.

Health and Wellness

The Acting Chair: The hon. Minister of Infrastructure and Transportation.

Dr. Oberg: Thank you very much, Madam Chairman. It's my pleasure on behalf of the Minister of Health and Wellness to present the estimates for interim supply.

Madam Chairman, what you have before you is just a huge amount of dollars. It's \$2.2917 billion – and I said billion – that we're dealing with today. This is roughly 39 per cent of all the total interim supply estimates that are before us today. This is very similar to my department, the Department of Infrastructure and Transportation. It's quite simply to keep the departments going, to keep the physicians being paid, to keep the regional health authorities being paid, to keep the health authorities as well as the Health and Wellness staff being paid, to keep the drug supplies being given out to patients.

Madam Chair, I would be more than happy to take any questions from the hon. members. Any questions that I cannot answer, I will certainly pass on to the Minister of Health and Wellness. But this is a very critical issue. I don't think anyone – anyone – in this Assembly would want to see the Department of Health and Wellness not have any money for two months, and therefore I would urge all of us to pass this in a very expeditious fashion.

The Acting Chair: The hon. Member for Calgary-Mountain View.

Dr. Swann: Thank you, Madam Chairman. It's a pleasure to rise on interim supply estimates for 2006-07 in relation to Health. I appreciate that this is the number one concern of Albertans and that it's important that there be no glitch, no holdup in the ongoing functioning of a very complex system, for which we are accountable.

I would like to ask a few questions around where we are spending the dollars and how well we are spending the dollars, again with specific focus on new technology, on how well we're assessing the importance of new technology, and whether it's appropriately used.

I've heard stories among my colleagues where, for example, full body MRI scans are being given at office parties as a gift or at an auction sale. It's clear to me that in some areas our technology is not being used appropriately, and while there may be relatively few risks associated with the use of MRIs, there are certainly those that are constrained in their appropriate use by not being able to access the private MRI system. If we have that kind of promotion of an MRI scan, and indeed some of the inappropriate private use of MRIs just because people can afford to pay it, it suggests to me, then, that we are not serving Albertans in terms of setting standards and ensuring that the technology, first of all, is needed and then, secondly, is used only in appropriate settings. I know that we have the technology assessment program, and I just wonder whether there is sufficient medical evidence and oversight to allow us to make good, long-term decisions about the new technology.

We're also concerned on this side about the continued lack of investment of our health budget in prevention. We continue to spend over 95 per cent of our dollars in health care in identifying and treating disease and injury. I was gratified to see some of the new investment in mental health, and hopefully this can be directed at some of the determinants of mental health, at the preventive side of mental health, especially our disadvantaged population, and the increased risk of addictions, of mental health problems, and how much we could by early intervention in childhood and family issues reduce the demands on the health care system. That continues to be an issue that will plague the ongoing increases in health care budgets if we fail to invest appropriately in prevention and keep it under 5 per cent of most health authorities' budgets, as it is today.

4:50

It's also clear that the public are expressing a commitment to publicly funded health care. We are deluged by phone calls and letters on this side about the proposed privatization option that will suck resources and staffing, suck physicians out of rural areas, potentially, into more lucrative practices in the cities. People are very concerned about this, and if government members are not hearing these same messages, I hope they're actively soliciting feedback from constituents who are concerned about the importance of uniform access and the clear direction for medically necessary services that we're all looking for.

Those are the essence of my concerns, Madam Chairman, and I'll wait to see if there are some offered answers.

The Acting Chair: The hon. Minister of Infrastructure and Transportation.

Dr. Oberg: Thank you very much, Madam Chairman. It's not very often that I actually get to answer these questions, so I will take some delight in answering these today.

Madam Chair, the hon. member has a very good point when he talks about assessing new technologies. One of the huge costs in health care right now and right today is new technology. Much of it, in all fairness to the people who have brought forward technology, is of dubious benefit. It may well have some benefit, but it is not necessarily the be-all and end-all, and I will use MRIs as an example.

What we have to keep remembering and have to keep focusing on is that the MRI is a diagnostic tool. It is simply a diagnostic tool. Those of us who actually used to diagnose things by putting hands

on patients and listening to them are aghast when there are so many MRIs that are ordered today. However, medicine must move on, and technology must move on, but I certainly hope that the art of medicine also continues to move on and also continues to be a viable focus.

The key point here, though, when we talk about new technologies and when we talk about – and I believe the hon. member used the term – medical evidence and oversight, is that that is the college of physicians' role and responsibility. It is not for anyone in this Legislative Assembly, it is not for anyone in the bureaucracy of health care to determine whether or not a medical procedure is a viable procedure. It is up to the College of Physicians and Surgeons and the medical fraternity to determine if, indeed, it is a viable procedure.

Subsequently the college – for example, on total body MRI scans, as was brought up – certainly has the ability to say that that is not a medically safe procedure and to cause charges to be brought against a particular physician who advocates for that. They have chosen not to. I am not specifically up on the research on total body MRIs, but there is a body of evidence that is showing that the risk of a total body MRI and the potential of finding something that is wrong, such as a cancer, may or may not weigh each other out, may or may not count each other out. I think that in the next five to 10 to 15 to 20 years you may well see a complete change in philosophy when it comes to things like total body MRIs, but I'm only speaking today with respect to that.

Lack of investment in prevention: what we do have to remember is that 5 to 10 per cent of the budget is being spent on prevention today, and it's a huge amount of dollars. Mental health work: a lot of that work is in prevention. A lot of the community health services are in prevention. Wouldn't it be a wonderful world if we didn't have any disease at all, if it was all preventable? Absolutely. There's no question about that, but we do have to treat acute cases. When someone comes in with a broken arm, we can't simply say: well, sorry; you should have prevented it. It has to be fixed. It has to be set. It has to have the procedures done on it. So we do have to be realistic when it comes to health care. We can't simply say that all diseases could have been prevented because, in all fairness and honesty, many of them could not have been prevented, could not have been identified, and subsequently their course changed.

The other comment that I will make is very simply with respect to the physicians in rural areas. I am probably the most qualified person in this Assembly to talk about physicians in rural areas, for reasons that shall remain anonymous. I will simply say that when it comes to the potential for privatization, the potential for a different payment system, those physicians that are in rural Alberta make significantly more money than those physicians in urban Alberta. I think that that is something that you have to remember and recognize and the difference is very, very significant.

The issue when it comes down to physicians in the rural areas is not a monetary issue; it is a lifestyle issue. Because you're on call a significant amount of time, because you're on call for large amounts of time, that tends to be what the issue is. It is not a remuneration issue.

Madam Chair, with that, I believe I've answered the majority of questions that have been put forward by the hon. member, and I'd be pleased to answer more.

The Acting Chair: Thank you.

The hon. Member for Edmonton-Strathcona.

Dr. Pannu: Thank you, Madam Chair. I'm pleased to rise and make a few observations on the interim supply estimates for the Depart-

ment of Health and Wellness. I have a few questions that I would like to ask the minister of infrastructure, who happens to be, luckily for us today, also a physician.

Madam Chair, the comments made here on the use and abuse of technology: it's an important issue. Technology, new technologies – you know, that just because they're there, therefore they should be used – I think is an important issue when we are talking about controlling costs and preventing harm from the excessive use, unnecessary use of some of the diagnostic technologies. I think both seem to suggest that we need to pay more attention than we may have to this point to the very question of the appropriate use of medical technologies both in diagnostic practices that prevail across the province and in some other ways.

So I think it's a very good point. I think we need to pay more attention. My sense is – and I heard the minister of infrastructure also suggesting that – that there is money to be saved without causing any inconvenience or damage to the health of our patients that come to our medical institutions that provide service. I want to add my voice to that concern that's expressed across the foyer here on that issue, and I think we need to pay attention to it.

I notice here, Madam Chair, that this year's supplementary estimates for expense and equipment/inventory purchases are \$2,291,700,000. Last year the amount was \$2,044,200,000. There's a difference of about \$250 million here; \$250 million more is being asked this year. I wonder if the minister will have something to say on that to explain what this difference reflects, what the increase is about, where these particular \$250 million may be expected to go or are projected to go.

On the other hand, I also notice that under capital investment there's a slight decrease of \$2 million in what's being asked for this year – that is, the coming fiscal year, 2007 – compared to the fiscal year 2005-2006. So there are some variations here from last year. I think that they simply tickle my curiosity, and I'm sure Albertans would like to perhaps know why are there variations between last year and the coming year.

I understand that these supplementary estimates are meant to tide us over the next two months, the month of April and the month of May. We have been debating interim supply estimates for the current year.

5:00

Dr. Oberg: Those were supplementary estimates.

Dr. Pannu: Yes, supplementary estimates. You'll notice that there has been quite a bit of discrepancy between the budgeted estimates and then the supplementaries that are asked for. I'm curious to know how close these interim estimates are to what we'll actually need to spend over the next two months. Are they wildly off base or likely to be off base, or have we learned something from previous years, doing the same work, and has the government developed a more precise way of estimating what it's asking for?

Once I've heard answers to my questions and I'm satisfied that we are targeting to become more precise in how we budget, what we ask for as part of interim estimates – and supplementary estimates, I'd suggest – then I'll be happy to make up my mind to vote for them or not.

The Acting Chair: The hon. Minister of Infrastructure and Transportation.

Dr. Oberg: Thank you very much, Madam Chairman. First of all, I would just like to agree with the hon. member when it comes to technology. Technology is one of the highest cost items that we

have in medicine today, and there really does need to be an adequate evaluation of the cost-effectiveness of some of these procedures. It's very difficult to do, but there does need to be a push in that direction. I had already reminisced about the art of medicine. It's probably long gone from my body at this particular point in time, but I have reminisced about that. Technology is something that we have to be constantly aware of, and we have to be constantly vigilant to ensure that the technology is actually an improvement and is improving the health of Albertans as opposed to just technology for technology's sake. I think the hon. member is absolutely correct in that.

When it comes to the \$250 million increase over this time last year, that represents a roughly 8 to 10 per cent increase in the cost, which is what we're seeing in health care today, an 8 to 10 per cent increase in both utilization and the cost of such items as drugs, technology, procedures. That's why the \$250 million is there over last year. It's the natural growth in the amount that we're paying. There are a little bit of dollars built in there just on the outside chance that something did not go through properly by the end of May, in case there is some needed and it isn't getting there right away. This is not the type of system that we can simply stop for a day and say: okay, we're not going to have any health care in Alberta for one day. There is a little bit of leeway built into that, but in general what it is is the inflationary pressures, the access pressures, the amount of pressures from the increased utilization of the health care system that has occurred over the past year.

Capital investment, that \$5.4 million, simply means that in this next two months there are fewer capital dollars that have been utilized, that have needed to be utilized. My assumption on this is that this has to do with a lot of the planning procedures that are taking place. There are a lot of hospitals that are under construction, that are starting, and this \$5.4 million is, quite simply, the amount of planning dollars that are going forward on that. The smaller amounts, the equipment purchases, would be included in the \$2.2 billion.

I hope that has answered the hon. member's questions and that that satisfies him.

Dr. Pannu: Madam Chair, may I follow up with a question?

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

Dr. Pannu: Yes. Thank you, Madam Chair. I apologize for forgetting to ask a question. I thought I'd better ask it while we still have it.

You had mentioned drugs, and we know that drugs are the most worrisome driver of costs within the health care system. You talked about a 10 per cent increase anticipated. Drugs are a very, very important part of the increase in costs, a really serious driver. Is there anything reflected here which would suggest that drug costs are being targeted as an item where we need to seek ways to reduce those costs?

I went to a pharmacist to get a prescription filled a couple of weeks ago, and I was pleasantly surprised. This wasn't covered by Blue Cross, you know, that we all have. I was told last year when I was getting this prescription filled that it was a standard drug, you know, under patent. Now, this time I went there, and automatically the pharmacist told me that I will get the generic form of it. I said: I'm delighted; we've been trying to tell the government to do the same.

Is there anything built in here to suggest that the government, in fact, is now asking hospitals, for example, or health authorities to look at the use of generic drugs where the health outcomes are similar, if not identical, as compared with the more expensive

patented drugs? That certainly is, I think, an issue on which Albertans would like to hear from us, hear from the government as to what action they're proposing to take. I wonder if some of those considerations are built in in these interim estimates. If not, why not?

The Acting Chair: The hon. Minister of Infrastructure and Transportation.

Dr. Oberg: Thank you, Madam Chairman. First of all, in the interim supply estimates it's almost impossible to build in a decrease in costs for drugs. In a two-month time frame you are not going to see that decrease in the medications. To decrease the amount of expenditures on drugs is going to have to be a longer term process.

What the hon. member was talking about, quite simply, is that when a patent protection comes off a drug, it subsequently goes to generic. We do have mandatory generic substitution in Alberta. The drug that you're talking about – and I don't know which drug it is – typically has I believe a 20-year patent. Recognizing that it takes an average of 13 years for a drug to get into the actual pharmacies, before it is brought to market, there's an average of seven years. What I think happened with the hon. member and why his drug was changed is that a generic did come on the market because the patent had expired, so that's why. But there is generic substitution. The hospitals look very much at the generics, and they utilize generics where they are applicable.

I will take it one step further at my own risk and peril and say that I think it's something that has to be looked at. There are a huge number of very similar drugs that are coming on the market, and when they are put on the formulary, there's not necessarily another drug taken off. It is an issue that we do have to look at. The price of drugs is something that we have to be very cognizant of and vigilant in.

The unfortunate part or fortunate, depending on where you're at, is that a lot of the new drugs that come on are very, very expensive, but a lot of the new drugs that come on are very, very good as well, and they do have a very beneficial effect on the health outcomes of Albertans, so we have to be careful. I think the bottom line in what I'm saying is that we have to be extremely cognizant, we have to be extremely vigilant, and we have to make sure that the drugs are performing to what they are said to perform and that they do have a place in our formulary.

That's the long answer. The short answer is: no, there is no specific indication in these two months. I know that the hon. minister is doing her utmost to keep drug costs down, but that is not something that can be done in a two-month time period. It has to be done in a full-year budget or even more than a one-year budget.

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

Mr. MacDonald: Thank you, Madam Chairperson. When we look at this interim supply budget for Health and Wellness, we see that there is in excess of \$2 billion requested. We see expense and equipment/inventory purchases, a much smaller amount for capital investment. When the hon. minister indicates that this is necessary to keep our public health care system operating, everyone is certainly cognizant of that and supports that. But this is an opportunity to discuss not only this portion of the Health and Wellness budget but what is yet to be allocated. We know the budget process that has been dealt with in the past. We know that sometimes the regional health authorities' individual budgets, specifically Calgary and Edmonton, those huge urban health authorities, are much larger

than some of the government departments' total budgets, for instance.

5:10

There is a lot of money spent on providing public health care. I would certainly urge this government to stick to delivering health care to the citizens of this province through the public model, the single-payer user system. I can't imagine how much of this budget is going to be spent on public relations. We know some of the elaborate public relations plans that this government has implemented at taxpayers' expense, of course, in convincing citizens that they need the choice of where to go to acquire needed health services.

Now, it was put to me the other day that these choices will be dependent upon the size of your wallet. I would agree with that. There is no need to go this way. The hon. Member for Edmonton-Riverview, the Leader of the Opposition, advised and tried to convince this government of the folly of more private health care delivery. The hon. member was right in advising this government of their folly with electricity deregulation and reminded the Premier about when Albertans were told that, oh, they need choice when they purchase electricity. Choice is what they wanted. Well, the choice that Albertans have been left with as a result of that government policy is: "Which bill should I pay first? My high electricity bill or my high natural gas bill?" That was the choice they were left with. The same will apply if this government goes through with implementing their private health care scheme. The people will certainly have choice all right, but it will be: which medical bill do we pay first?

Now, if we're to proceed with this, we're going to have some doctors who in the forenoon will be working in their private clinic, and in the afternoon they'll be going to the public system. We heard earlier about the scarcity of qualified doctors, the difficulty in recruiting them. This idea that you can work in the forenoon in a private clinic and in the afternoon in the public hospital is not to the benefit of the public health care system nor the people who rely on it.

The people who also rely on our public health care system are members of the business community. I can't understand why the Calgary Chamber of Commerce is so anxious to see privatization of our health care system. The single-payer user system is an economic advantage for all economic sectors, whether it's manufacturing, whether it's the service industry, or whether it's people who are involved in heavy industrial . . .

The Acting Chair: I hesitate to interrupt the hon. Member for Edmonton-Gold Bar, but pursuant to Standing Order 58(1), which provides for not less than two hours of consideration of estimates, I would invite the Deputy Government House Leader to move that the committee rise and report progress.

Mr. Stevens: Thank you, Madam Chairman. I move that the Committee of Supply rise and report the interim supply votes that were taken this afternoon and request leave to sit again.

[Motion carried]

[Mrs. Ady in the chair]

Mr. Shariff: Madam Speaker, the Committee of Supply has had under consideration certain resolutions and reports as follows. The following resolutions relating to the 2006-2007 interim supply estimates for the general revenue fund and lottery fund have been approved.

Infrastructure and Transportation: expense and equipment/inventory purchases, \$832,400,000; capital investment, \$207,800,000.

Advanced Education: expense and equipment/inventory purchases, \$344,700,000; nonbudgetary disbursements, \$17,400,000.

Madam Speaker, the Committee of Supply also reports progress on Health and Wellness and requests leave to sit again.

Madam Speaker, I wish to table a list of those resolutions voted upon by the Committee of Supply pursuant to Standing Orders.

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

Hon. Members: Concur.

The Acting Speaker: Opposed? Carried.

The hon. Deputy Government House Leader.

Mr. Stevens: Thank you, Madam Speaker. I would like to move that we call it 5:30 and adjourn until 8 this evening, at which time I would ask that we reconvene in Committee of Supply.

[Motion carried; the Assembly adjourned at 5:17 p.m.]