

Legislative Assembly of Alberta

Title: **Wednesday, August 30, 2006** **8:00 p.m.**
 Date: 06/08/30
 head: **Government Bills and Orders**
Committee of the Whole

[Mr. Shariff in the chair]

The Deputy Chair: Hon. members, we'll call the committee to order. The committee had adjourned earlier on at 5:30 in Committee of the Whole, so we are reconvening.

Bill 44 Appropriation (Supplementary Supply) Act, 2006 (No. 2)

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

Mrs. Mather: Thank you, Mr. Chairman. The other evening when I had a chance to speak about the education spending, I talked about the difficulty with the process and the timelines. I've given it some more thought, and I'd like to express some of those this evening.

When I look at the regular parade of this government begging for basics in education while living high on the hog in so many other ways, I'm reminded of *Oliver!*, the movie that was made from the musical that was made from the book by Dickens. Remember the scene in the workhouse where the boys had been fed their rations and *Oliver Twist* comes up to his boss, bowl in hand, and asks in a plaintive voice: please, sir, may I have some more? His boss retorts, "What?" and flies into a rage at his audacity.

Though the bleakness of the surroundings might suggest otherwise, Britain was at her summit then. She had an empire with suppliers in every part of the globe, a lucrative balance of payments, and bank vaults overflowing with gold. This was possible because of a workforce stretched to the limit, which included nursing mothers and small children. Yet with this huge surplus, wealth, and power she couldn't find it in her priorities to pay her workers adequately, and when they asked for more, they were intimidated.

Mr. Chairman, we may not have workhouses, but we are impoverishing our children with our current priorities. This province leads the continent in economic growth, and our assets are the envy of the world. This is not only a result of our natural resources but of a resourceful workforce, and that depends on our public education system. Yet too often this third vital ingredient is seen not as the contributor to our well-being that it is but as a drain on the public purse. We talk about our children as the leaders of the future, then we sell short their needs today. How long will our educators, parents, and children have to beg for the basics before we have a level of infrastructure that adds up to the Alberta advantage we advertise? How long will the government routinely underbudget the cost of education and force its representatives to show up, cup in hand, in this House with the sad and unnecessary refrain: please, sir, may I have some more?

We need predictable and stable funding. This will enable school jurisdiction planning that is consistent with the province's goals for the basic education system. This would also provide stability for school jurisdictions in dealing with changing circumstances and in periods of stability and growth as well as decline. I believe we need to provide school jurisdictions with the flexibility to allocate funds to programs as they choose in order to meet the educational needs of their students and address local priorities. Our province was

established on the principle of local autonomy because those closest to the constituency and grassroots can better understand and meet and represent the constituents. School boards deserve the opportunity to make decisions based on the needs of their jurisdiction.

Education is important. For more than 30 years economists have been virtually unanimous in recognizing that it is not resources or technology that create wealth but people. If there is any one area that deserves our attention and support, it is the drawing out of our people into their fullness, which is what the word "education" means.

I have some concerns that I'd like to go over in particular with senior high schools. High schools have to set up completion target rates every year. The funds are then allocated based on projected credits as of September 30. If at the end of the school year the targets are not met due to dropouts, the school is hit with huge funds being taken out in August. As such, it is almost impossible for high schools to plan budget spending, and many high schools end up in deficit.

This practice is leaving the most needy high schools with the least funds. High schools in poor neighbourhoods or with significant immigrant population are the ones most affected. In irony, they are the ones that need the funds the most to provide these students with extra help, these students who are needy or are often coming from difficult home situations, and they get the least amount of money. In other words, poor schools are getting poorer, and rich are getting richer. I'm disappointed that the recent figures that were shown have no indication of any plans to change the allocations for high school funding.

Another concern is that the maintenance of physical plants to create safe and clean environments for students has been neglected for years. Schools, especially the aging ones, are not getting enough funds to meet the school maintenance needs. The maintenance allocations are based on the size of the building and enrolment and not on the school age or individual needs. I saw that there is some money, a great deal more, that's been added lately; it's a huge jump. But because of the fact that we were so determined to get rid of the debt, we have neglected these buildings for years, and the huge jump still isn't enough.

Another concern is school technology, keeping up with upgrades. There's nothing specific that indicates that we're going to put something in to help in this area. It's a constant challenge for schools to keep up with technology upgrades. To update one computer lab, which needs to be done every four to five years, is costing schools about \$60,000. Most high schools have more than one computer lab, not to mention the technical support that's needed to maintain the program. The allocation that we get per student covers about 25 per cent of what is needed.

Another area that I've talked about in the past that still is not being addressed adequately is the programming for special-needs students. Amounts now allocated do not cover the cost of full-time aides that some need. They do not meet the school's cost to provide the programming ratios necessary to ensure that those with learning deficits can be brought up to speed. They do not allow for the collaboration time and the prep time necessary to ensure teachers' ability to provide the highest level of assessment practices or to prepare material that will challenge students on higher order thinking skills.

The special-needs area includes the most disadvantaged, and it is not adequately funded. Programs like Head Start and early childhood programs should be strongly encouraged for families who need support to ensure that the next generation has an equal starting place when they hit kindergarten. A six-year-old in grade 1 can be two or more years behind his peers before he even starts on his grade 1

year. This could be prevented through participation in quality programs that ultimately will result in saving enormous amounts of dollars that are required later on for remediation.

Another area of concern continues to be school counsellors, librarians, and speech therapists. There's no funding allowed to recognize this need. We lost many of these people because their jobs were cut in the last decade. University students chose other careers so they would have a greater chance of employment in the future, and now if we did have the funding, it would be difficult to find the people to fill these positions.

Ellul, who was a French communications expert, points out that technology means we are moving towards fewer workers in the area of manual labour. What we need for the information age is well-trained people. We have a drastic shortage of skilled blue-collar workers: mechanics who work with computer chips in vehicles these days, electricians, plumbers, chefs, beauty culture workers. The list goes on and on. We've been catering to the top 10 per cent of the population in our schools, and as a result we have taken out the repair shops and the building shops and the other labs that once were there for the vocational part of the programs.

The best legacy, I think, that we can leave behind is the best-trained workforce in the world, and that only happens with education. We need all kinds of education, and it costs money to tool up for the 21st century. We need to use the public school system to ensure that every student is fully employable and therefore a useful and participating member of society.

8:10

I talked earlier this week about kindergarten, especially the junior kindergarten program under the city centre education project. The positive effects of providing optimal junior and full-day kindergarten, for example getting children on the right path to success, far outweigh the costs. Many districts I know are already offering full-day kindergarten. These optional programs are at or near capacity, which indicates that there is a strong demand for these programs. The problem of drawing resources from other areas to pay for kindergarten still remains and is a concern. The junior kindergarten program I spoke of earlier has received enormous awards throughout its three years, indicating all kinds of success from many perspectives.

Another area I'd like to talk about is the joint use agreement. Specifically, it's a legal agreement between the city of Edmonton, Edmonton public schools, and Edmonton Catholic schools that describes how the partners work together to plan, develop, and share schools and park facilities. The agreement outlines how school gymnasiums and other parts of school buildings are made available to community groups during after-school hours and how swimming pools, arenas, tennis courts, and picnic sites are available to school children during school hours. Why isn't there a specific fund from the government to support joint use? This would take the burden of cost away from the schools and from the community groups – that is, custodial help, security, and so on – and assist our schools in really being part of the community and being the heart of the community.

Another thing that I feel I need to take a look at is the idea of capital projects and school boards listing their priorities. The province decided to provide the Edmonton public school board with \$17.3 million for their top priority project, the construction of a new high school in the Riverbend/Terwillegar community in southwest Edmonton. The school is going to be built to accommodate 1,000 high school students. But when I looked at the priority listing from Edmonton public schools, this particular school that's going to be built is number 21 on the list, so I have to ask how it became number

one in the minds of our government over 20 other projects that the district listed as more of a priority.

Another thing is that the \$17.3 million given at that time was out of \$207 million for the province. That's a percentage of 8.3 per cent, but Edmonton public schools, in getting the 8.3 per cent, must educate and accommodate 15 per cent of the province's students.

Another thing that I'll bring up again – and it's been brought up many times – is the unfunded liability of the Alberta teachers' retirement fund as a growing, inter-generational, unproductive debt. What plan does the ministry have to deal with the rising costs of its unfunded teachers' pension obligation? There's nothing indicated yet that this is even going to be addressed.

As I looked at the constituency of Leduc-Beaumont-Devon – that's the Black Gold regional division No. 18 and the St. Thomas Aquinas Roman Catholic separate school division No. 38 – I was looking at the ranking of concerns, and École J.E. Lapointe school is listed at 29.61 per cent under the facility condition index. We note that 10 per cent is considered poor, so I have to ask what plans there are for this high school. That ranking would indicate that perhaps renovation or additional space might be more costly than replacing the school. I'm wondering what the minister has considered there.

The other question I have is Leduc composite high school. Again, a rating that's very high, and I'm not sure if there are any specific plans for that school that would involve looking at, of course, sustainability or addressing some specific needs to help it be at par and to sustain its programming.

I also looked at the constituency of Edmonton-Mill Creek. Donnan school, which is a junior high, has a sustainability review in the next one to three years and also Avonmore in that area, but it's not till four to six years. I'm wondering what the communication process has been with the residents in these areas because I understand a sustainability review would mean that perhaps they would be looking at school closures. What is the actual process for determining sustainability? I notice that Kenilworth is ranked also, but it looks like it's at a 4.44 in terms of the facility condition index, which means that it's considered to be only average needs. I guess I'd like to have more explanation of how that sustainability factor is calculated and what is the process of letting people in these constituencies know what is being looked at for the years coming ahead.

I think at this point I'll leave it. I'd like to talk about Health, but I'll do that later on.

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

Mr. Tougas: Thank you, Mr. Chairman. The traditional opening for anyone speaking on second reading or committee is to say something like: I'm pleased to rise today to address bill whatever. I wish I could say that was true today, but it isn't. We've been called into session here in the dying days of what had been up until today a beautiful end of August to rubber-stamp, basically, \$1.3 billion worth of supplementary spending. Now, this government's attitude towards spending is best described as cavalier. I was reminded when I was working on my notes for this today of a famous, or actually infamous, quote from C.D. Howe, who was called the Minister of Everything in the government of Louis St. Laurent. During a notorious debate in the House of Commons in 1945 Howe famously said: what's a million? You can up the ante on that quote to a billion dollars, and you've got this government's attitude today: what's a billion? So here we are, called into session in the summer to approve – and that's all it is because in reality there's no debate here – \$1.3 billion in expenses.

Now, to be honest, the vast majority of this spending is actually

essential. Dozens of schools in Alberta are in dire need of repair. The cost of building materials in Alberta is going through the roof, resulting in vastly increased costs for a variety of projects. Our health care system is experiencing severe strains as the population booms.

As much as this money is needed, and in some cases desperately needed, very little of it could be classed as unforeseen. Schools don't crumble overnight. There was no epidemic that caused health authorities to ring up deficits. The vast majority of the \$1.3 billion that is being spent here today is due to this government's chronic aversion to long-term planning and its single-minded obsession with defeating the debt. But, Mr. Chairman, if you don't change the oil in your car so that you can put more money into paying it off, eventually it will cost you a whole heck of a lot more to repair the car than you saved by paying it off faster. It's like that old commercial – I think it was for FRAM air filters – where the mechanic says: you can pay me now, or you can pay me later. Well, welcome to later.

While most of the appropriation that we are debating tonight and over this past week is needed and long overdue, some of the supplementary spending looks to me like items that could and probably should have waited for a full hearing in the Legislature during a proper budget debate. For instance, we have Agriculture, Food and Rural Development, which has asked for \$270,800,000. Now, \$261 million of it is to respond to an economic disaster in the agriculture industry, but the rest of it appears to be for matters that could or should have waited for a full budget hearing, ideally with the minister present.

8:20

Most interesting is "\$4,800,000 for Infrastructure Assistance for Municipal Wastewater to support a project in the Municipal District of Rockyview that includes a horseracing track and an equine centre." Now, with the very limited amount of time we have to debate over a billion dollars in spending, a relatively puny amount like \$4.8 million practically goes unnoticed, but there are plenty of questions regarding this expenditure, most notably if it is yet another sweetheart deal for the horse-racing industry. It's a legitimate question that deserves to be addressed properly in this forum, but it doesn't look like that's going to happen.

We could also ask the same questions about the Economic Development ministry's expense of \$2.2 million for the ministry's contribution to the strategies for something called "Building and Educating Tomorrow's Workforce" and "Supporting Immigrants and Immigration to Alberta." Now, it's an important topic, certainly, but an expense of \$2.2 million deserves a full airing in the Legislature, and it certainly doesn't appear to be something that we have to be called into session for to pass.

How about the additional \$20 million for Innovation and Science? Now, my friend, the hon. Member for Edmonton-McClung, is supportive of this expenditure, so I will accept his opinion that this is a worthwhile use of public funds. He's nodding his head, so I guess that I got that one right. But it does not answer the questions. Is this expenditure so vital that it should be included in supplementary estimates so soon after the last budget was passed? The ink has hardly dried on the last budget we passed here, and here we are, at it again. These are questions that we're not going to get answers to.

I would like to switch gears briefly and talk about some places where the money should be spent, most notably education, and I'm going to make what amounts to a flagrant pitch that some of it be spent in the constituency of Edmonton-Meadowlark. Now, Edmonton-Meadowlark constituency is a predominantly middle-class area with a large number of homes in the 25- to 40-year range.

The schools are roughly the same age, so they are at the stage where upkeep is vitally important.

Now, some good things have happened in the schools in Edmonton-Meadowlark. I am particularly impressed with the work done on Winterburn elementary, which has seen substantial improvements over the past few years, and it's now a very attractive and very well-attended school.

Unfortunately, due to a chronic lack of funding five schools in Edmonton-Meadowlark have what are called facility condition index ratings of over 10 per cent, which is considered poor. For instance, Hillcrest junior high has an FC index of 16.96. Now, in the 1999-2000 audit Hillcrest needed \$264,000 worth of repairs and upgrades. Today Hillcrest needs about one and a half million dollars. So virtually nothing has been done at Hillcrest at all.

Also of concern in Edmonton-Meadowlark is H.E. Beriault school, which has a 19.69 FCI and needs \$1.7 million in upgrades over the next few years.

St. Thomas More is in even worse shape. A few years ago, back in 1999-2000, it needed \$749,000 to address its maintenance needs, but now it needs more than \$3 million over the next five years.

No school in Edmonton-Meadowlark and perhaps no school in Edmonton needs an infusion of government cash more than St. Francis Xavier high school. St. Francis Xavier is the largest Catholic school in west Edmonton, with more than 1,100 students. St. FX is home to an advanced placement program, a modified French immersion program, a complete career and technology program, French, Spanish, Italian, and French immersion, and Spanish 105. It also has a hugely successful sports academy program, which includes the sports of hockey, soccer, lacrosse, baseball, and golf. St. FX is a thriving school in every aspect, but much of the building is in very poor condition.

The original school was built in 1958 and has had only one minor modernization done in roughly 1985 or 1986. The school is quite literally sinking. The roof needs replacing. There were at one time plants growing out of the joints in many locations of the roof. The mechanical systems are original to the year that the area was constructed, which means that some of the mechanicals are approaching 50 years of age. Imagine, Mr. Chairman, having a 50-year-old furnace in your home.

You know, Mr. Chairman, I spoke to a former St. FX student who told me that while she was attending school there, it was considered wise not to sit too close to some of the windows in case the pressure from the shifting building caused one of the windows to pop out. Now, maybe that's an apocryphal story or maybe it's just school talk, but that's the kind of concerns that students had about being in that school. A teacher told me that the evaluator told him that the best thing to do with much of St. Francis Xavier was to tear it down, but then, of course, where do you put 1,100 students? The best course of action for the 1958 section of the school is to tear it down and to build a new addition. This isn't the opinion of the Catholic school system only but also of the 2004 facility evaluation report. At that time, the cost was estimated at \$4 million. Now we're looking at \$6 million and counting.

Mr. Chairman, the longer we wait before we start doing necessary repairs to schools, the worse it gets. We are adding to the costs with each passing day that we neglect these schools, and we are just not serving the best interests of the students or the teachers or the city of Edmonton or the province of Alberta by not passing the proper legislation to get this job done. Now, I've made a pitch for my school and I admit it, for St. Francis Xavier.

An Hon. Member: Apply for lottery funds.

Mr. Tougas: Apply for lottery funds. Well, if we could only do that, we'd have things cleared up. We've got hundreds of millions of dollars in lottery funds. We've got lots of it all over the place.

An Hon. Member: Put up a little track.

Mr. Tougas: No more horse racing, please.

I've made my pitch for my school. I know that the money is there. I can't remember the exact total. Hundreds of millions of dollars are available for schools now. A number of schools in Edmonton-Meadowlark are in dire need of this money. I trust that the Education minister will read over *Hansard* in his spare time and make the appropriate decision.

Thank you, Mr. Chairman.

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

Mr. Eggen: Thank you, Mr. Chairman. I appreciate having the opportunity to speak on a number of I think crucial issues in regard to the supplementary budget. I have had the opportunity to speak on specifically Education and a couple of other departments. What I would like to perhaps lead off with here this evening is a more general commentary as to what sort of message we're being sent here with this budget and previous budgets that I have been able to review in the last couple of years.

It's clear from all indications here in the province, across the country, and indeed around the world that we're in the midst of an unprecedented economic boom in the province of Alberta. Certainly, the growth that we are enjoying and the prosperity that comes with that boom is welcomed by most people. However, I always look at the actions of people and of governments as much as I listen to what they say. It's curious at best, I think, to see the reaction to this economic boom from this Legislative Assembly, not from what is said because we have been inundated with platitudes about prosperity and the best this and the best that. Rather, let's take a look at the actions that are taking place because quite often they speak much more loudly than words.

What I see from a lack of commitment to long-term investments in certain key areas of infrastructure, of public institutions, of the things that this Legislative Assembly is responsible to provide for the people of Alberta is that I'm getting this feeling that we're here for a good time, not a long time. We're going to ride this boom out. We're going to ride the crest of it and slide on down again into the depths of whatever comes next, just like the last time. That's the sort of action that I'm seeing from this government and from this Legislative Assembly, and quite frankly I am not only disappointed, but I feel compelled to intervene in some way, whatever way possible.

Of course, for most of us of a certain age we have gone through the boom and bust cycle previously here in the province of Alberta, and we all know in our heart of hearts that without planning and without intervention, in fact, this boom and bust cycle is more destructive than it is constructive.

8:30

Let's just take it back to the last time we found our economy doing so well and then bottoming out, in the early 1980s, and what did we see? We saw unprecedented inflation, where people were buying very expensive homes and businesses were making very expensive investments, and suddenly the bottom fell out of the economy. What happened? People lost their homes. We had double-digit inflation and interest rates, and it was, certainly,

relatively speaking, quite devastating for many thousands of families across the province.

Here we are in 2006, and we're seeing very similar economic indicators. People are buying and borrowing at a much higher rate than we've seen in the last 25 years, real estate prices are unrealistically high and continuing to move that way, and people are being stretched to the limit as a result of these and other inflationary pressures that affect the pocketbook, the bottom line of regular working people in this province.

What we saw back in the late '70s and early '80s that was different, though, at least, is that the government was making infrastructure and investments in public institutions to meet somehow the growth and the increase in population in the province. Now, 20-some years later, a similar situation, and we are simply not making that investment. So as I said before, what we're seeing here is actions speaking much louder than words.

How are we going to manage this boom? Well, come on by for a while, ride it out, and then perhaps you just have to go home or go back to where you came from afterwards because we're not going to build the infrastructure, the public institutions, the housing, the things that people need to survive the long term here in the province of Alberta, and I think that's very, very disappointing.

I think we have to look no further than in regard to housing. I've heard some very interesting arguments here in the last 48 hours or so in regard to building housing. I always like that right-wing sop that comes back and says: "Oh, well, these people aren't planning. They come to Alberta, and look at them. They're irresponsible. They're not planning to pay for that \$1,500 rent a month or whatever. They're looking for a cheap deal. It's every person for themselves, thank you very much." Well, you know, that sort of attitude – right? – coupled with the severe labour shortage that we have here is just incomprehensible. It's like two ideas striking illogically against each other.

We're trying to bring people into the province presumably to not just work and build a house or drill a hole and then go back to wherever they came from but to build the population and to build the culture and to build the foundation of the new future for Alberta and have them stay here. So housing I would expect to be the very first place that we would send a welcoming signal and, in fact, at the very least help to alleviate our labour situation because people would feel welcome and willing to stay. When you solve a housing problem by building labour camps – right? – or you try to solve a labour problem by using temporary foreign workers, you're sending, again, the same very clear message that we're here for a good time, not a long time. We'll build your thing. Come here and we'll give you a few bucks, and then hit the road, thank you very much.

I have a constituent that had a complaint for me last week. A person with a temporary work permit had come to the province of Alberta to work and got injured, went to the Workers' Compensation Board, and lo and behold, before his hearing came forward, his work visa ran out. "So sorry. Too bad. So sad. You were here to work. You can't work. Hit the road. We'll see you later." You know, there is a myriad of new problems that we're creating by failing to deal with the economic boom that we're experiencing here in a logical and systematic sort of fashion, using the capacity that we have here in this legislative House to deal with it.

Perhaps I would like to start, then, just in terms of the various departments, by looking at what we can do to somehow moderate and to use intelligently the economic riches, particularly the energy resources, with which we are blessed and on which the foundation of this boom is based. Even the most conservative voices that we hear from outside of this government are saying very clearly that we have to moderate and control the rate of major projects that are being

approved – the drilling projects, the heavy oil projects, the tar sands, the oil sands projects – moderate them in some basic way so that you're not approving everything all at once. It creates shortages of labour and materials. It distorts the economy. In fact, it is distorting to some extent the entire national economy of the country by simply having this rubber stamp that approves every single major oil project that passes over the desk at any given time.

You can see a perfect microcosm of that, of course, and perhaps the epicentre of that in Fort McMurray, where there are 22 large projects either approved or on the way all happening at the same time, and you have this meltdown situation, Mr. Chairman. You have a situation where the municipal district of Wood Buffalo, perhaps out of desperation, said: "Well, hey, maybe enough is enough. Maybe even we will stand up and say to Suncor" – one of the long-standing and certainly more responsible corporations up in Fort McMurray – "that we can't handle your Voyageur expansion. Enough is enough. Our roads, our water system, our hospital are all on the teetering edge of collapse."

I had an opportunity to be at that EUB hearing a couple of weeks ago, and it was just absolutely illuminating to see the social tension and, I dare say, the political tension that is being wrought on that area as a result of poor planning or, I should say, almost entirely the absence of planning in regard to tar sand expansion throughout the Wood Buffalo region. You know, this act of desperation was for attention, I would say. The good burghers of the MD of Wood Buffalo certainly are not opposed to tar sand development, and certainly the New Democrats aren't either. It provides tremendous job opportunities and revenue opportunities which all Albertans should share in, but it just brings to a head, I hope, in the minds of the members opposite that a little bit of planning probably isn't such a bad idea at this juncture in the history of this province.

Looking at the next group of energy projects that are coming up for review, let's try to use, perhaps, a little bit more of a clear-headed approach to it. Looking in a tempered way, do we have the capacity for another half a dozen upgraders, do we have the capacity for another major tar sand project or oil sand project, and have we done the planning to see what the implications of those projects are? I would suggest neither, in regard to both long-term planning and the economic implications, have been looked at properly. Really, that constitutes not just irresponsibility on the part of this Legislature, but I would say that it borders on gross negligence as well.

Looking at individual projects, I suppose, what is lacking in my mind in terms of planning is an integrated method by which different ministries can look at and contribute to the viability of any given project. I was in the Peace Country recently, and it struck me perhaps as a bit of an epiphany that, you know, the oil sand potential that they have in the eastern Peace area is certainly comparable or at least as significant in some way as the tar sands in the eastern part of Alberta. What a great opportunity for us to learn from our mistakes, from Fort McMurray, and not visit them on the good people of Peace River in the east, not just for the residents of the Peace River country but for the benefit of the whole province as well.

Part of the problem, Mr. Chairman, is that when we're developing all of these projects all at once, we're not collecting the revenues from royalties that all Albertans deserve. Part of the reason, I would hasten to suggest as well, is that all of these projects are being developed in sort of this headlong rush, all at once, in a bonanza sort of manner because the energy companies know that they're getting such a tremendous bargain on the royalty rates. They know it can't last, so everybody is trying to get in there before reality sets in and, in fact, the province of Alberta does charge a decent royalty rate for the energy that is being exported out of this province.

8:40

As I say, it's not just a question of the people who are affected in the immediate area around a major project, the workers that are going there, but really it's an issue for all Albertans to seriously consider at this juncture. What sort of infrastructure we build in regard to energy, in regard to all of our public institutions right now is the structure that we're going to be left with for the next 20 to 30 years. What sort of energy choices we make are systems that we're going to build now at tremendous expense that we're going to be either stuck with or happy that we had the foresight to put into place for, as I say, not just the short term but the long-term future as well.

As we have advocated for quite a while now, what we must do is use our hydrocarbon resources that we have available to us and use that wealth as a bridge to build a new sort of energy future for the province. Certainly, we're not going to simply walk away from hydrocarbons and neither is the world, but what we must do is learn to sip those resources more judiciously instead of gulping them down and to make sure that we're maximizing the money that we have from that to invest in green energy alternatives.

So the critical portfolio of the areas that I have been responsible for I would like to see working more in concert to create that dream energy future so that Economic Development, Sustainable Resource Development, Energy, Environment are all working together to create a mechanism by which we can make a serious commitment to solar energy, to geothermal energy, to wind power, to conservation, to cogeneration so that with any decision we're making and investment we're making, we are looking at a nonhydrocarbon alternative first and foremost. I will be introducing a private member's bill tomorrow that hopefully will I guess help to move this notion forward in some small way in regard to the capacity of people to net meter their electricity. I know, amongst many, many other good ideas, that this is a notion whose time has come for this province.

As I said, energy, certainly, is the key to the province. I guess there's no mystery there, but how we manage it is up for question and for debate. What we need to do is have an honest debate in this province over the next weeks and months and years to ensure that, in fact, we are investing in something that ultimately will be sustainable environmentally, economically, and socially as well.

I have quite a number of other issues that I want to speak on. Perhaps I'll just stick with the energy development concept.

One of the things that struck me in the Peace Country when I was there last week was, of course, the oil sand development there, which is slightly different from Fort McMurray – they're having to drill further down to reach the oil sand deposits in the Peace Country – is that once again the development is taking place in a very piecemeal and sort of fractured sort of way. Specifically, I visited the Seal Lake, Cadotte Lake, and Carmon Creek area just southeast of Peace River, and what I saw there I found very concerning because you have a much more populated and more sensitive situation than perhaps you have in Fort McMurray. In this area you have farming. In this area you have areas that already have been designated as green zones by SRD. You have forestry and a much higher population that has been there for a long time. Rather than having an integrated overall plan for this area, this green space, as I say, around the Seal Lake, Cadotte Lake area, instead of having an overall plan that involves both Environment and SRD, what's happening is that the municipal district is simply going ahead and piecemeal servicing the energy companies that wish to drill in this green area.

So you have roads being sort of built in a slightly haphazard or, you know, piecemeal fashion. You have green space being cut up

into smaller and smaller pieces. You have an absence of planning around the green area so that people that live on the periphery of the drilling area are uncertain as to what sort of future they can expect for their farms and for their acreages, and you have a complete absence of an environmental impact assessment that works in concert with the SRD to ensure that the green zone that has been established there remains and keeps its integrity as a wild area.

So it certainly sparked my imagination to think that this is a small microcosm of a lack of planning that causes problems all across this province, where we say: "Okay. Industry first; business knows best. Away we go, and let's drill that new area." Well, certainly that is useful, and I won't stand in the way of that sort of economic progress. But it is, again, the responsibility of this Legislature to provide the regulation and the level playing field for all different industry players and for residents and for farmers to know what exactly to expect. I will say with some authority that energy companies like this same sort of clear-cut regulation and planning so that they can conduct their business in a reasonable and equitable way rather than this piecemeal approach, which might favour one or another operation.

Thanks.

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

Mr. Elsalhy: Thank you, Mr. Chairman. At this stage of debate on this Bill 44, the appropriation bill number 2, I wanted to talk some more about this extra money that we're asked to approve, with focus, of course, on both education and health not only because they represent the larger portions of this supplementary supply from a purely monetary or financial standpoint but also in appreciation for their importance and the emphasis that we Alberta Liberals place on these two files or departments. I have already spoken with respect to education in second reading and have put some of my general thoughts on the record, but today I wanted to cover some specifics.

Looking at my own schools in Edmonton-McClung, Mr. Chairman, we tend to be in relatively better shape than other areas because these schools are either younger in comparison or have been well kept. You know, I would think that it's probably a mix of both. The age is one thing, and the maintenance is another. The newest addition in my area is Archbishop Oscar Romero, which is a Catholic high school which came on board in 2004. Now, in terms of a needs assessment or the maintenance audits, which took place back in 1999-2000, it would seem that St. Martha and Rio Terrace were the two needing the most attention, in the amount of about \$559,000 each, followed by Our Lady of the Prairies at \$508,000, and Callingwood elementary at \$452,000. Then you would include Centennial school at \$395,000 and Patricia Heights at around \$353,000.

Now, those were the six schools identified back then as needing the most attention and assistance in terms of the money needed to address all maintenance needs for each of those particular schools. This is not saying that the other schools did not need or deserve attention as well, but based on that audit back in '99-2000 these six schools sort of stood out. They were in need of a bit more attention. It was more critical or more urgent.

I'm also under the impression that a whole bunch of re-audits were started in 2005, but unfortunately there is no data yet for the schools in Edmonton-McClung, which means that we don't have a more current picture evaluating the situation today. Again, I might assume that this is because most of them were relatively new, so maybe the ministry did not feel the need to re-evaluate or reassess, or maybe their turn did not come yet.

I would also like to receive the up-to-date facility condition index,

or FCI, figures for my schools, which is another useful tool to determine how much work is needed compared to the replacement value for those buildings. So if the hon. minister has access to this information or if it's in fact being looked at or in the process, I would like to receive it as soon as I can.

8:50

Now, if the FCI assessments were not done because my schools are in better shape than most, I would also need to be informed of this situation. Also, I would argue that the minister keeps telling us about how he continually monitors the situation with respect to infrastructure and so on, so if they're scheduled at some point in the future or planned, I should also be made aware of this. Actually, parents, to some extent, deserve to be told as well. The buildings age, and new problems manifest all the time, you know, regardless of how much work or how much maintenance is done on an annual basis. So every school year we fix some, but then new problems would manifest.

Another layer we can add is basically to rely on the principals and the custodians in those schools to submit, you know, progress reports or to submit concerns or issues that they're having to the attention of the minister. So if they're scheduled for a review, let's say, in six months, but something is happening today, they don't have to wait, and they're not told to wait. These guys are the front line and they're right there. You know, I have tremendous respect for custodial staff and for principals. They look at things everywhere, from a light bulb that needs replacing to actually ensuring the structural integrity of a school's roof, for example, and everything in between. They're the ones entrusted to make ends meet, and they're the ones that actually make those operational decisions right there. So, again, I would seize this opportunity to commend them on the work that they do and to also recognize the principals and the custodians for their resilience and creativity. Amazing men and women, Mr. Chairman.

Now, in terms of the raw score, which evaluates the amount of maintenance needed under that school facility evaluation project, back in 1999-2000 we were told that a score of zero to 399 lands you a "good." A score of 400 to 799 means a fair status, and then anything over 800 means poor. Luckily, none of my schools ranks as poor, and only two are in the fair category. Centennial was at 490, and Callingwood was at 410. St. Martha was at 380, and the other schools were less. So again I would highlight the need for more current estimates. I don't want to be led to believe that my schools are doing better than they are actually or in reality, and I think that continuous monitoring and reassessment is advised.

Mr. Chairman, almost all of us in this House enjoy a good working relationship with the people running the schools in our constituencies. I, for one, certainly do. One of those principals took me to the back of his school to show me a door which gets repeatedly vandalized. A simple stone is thrown and the glass window on that door is shattered; it happens every two or three months. What I saw was not a sheet of glass. I saw an ugly piece of dirty wood, or something that looked like wood and, of course, no light coming through. I asked the principal: why not install that sort of protective mesh wiring that goes on top of the glass to permanently address this problem and to prevent it from reoccurring even if it costs a little more?

The answer is that based on the pool of money for repairs, short-term fixes, even if they end up costing more in the long run, are fine and allowed, but longer term solutions, which make more sense – they might cost more today, but they would save a whole bunch of money later – are not allowed, or they have to be funded from a separate allocation of funds. It takes longer for the paperwork, and

sometimes they're even denied altogether. I think that this is stupid, and it has to be addressed. I would urge the Minister of Education in one of his numerous meetings around the province to discuss with the school boards ways to transfer this minute piece of decision-making and management flexibility to the individual principals on site. I agree that most of our institutions and organizations should be managed or run like businesses. I don't think it's happening now, and I think it's a model to be further investigated.

I disagree, however, that we enforce the accountability pillar, as it is referred to in the yet-to-be-released 2006-07 funding manual for school authorities – I have a copy of it, and it's due to be released next week – while not affording full support and enough flexibility for them to perform and excel. That would be the flexibility pillar. That document, which is going to be released next week, Mr. Chairman, talks about the accountability pillar, and it also talks about the flexibility pillar. Speaking of this funding manual, the flexibility statement was one paragraph long, while the limitations listed to qualify it appeared in five paragraphs.

It's good to have limits and boundaries, dos and don'ts, to have structure, but I would argue equally for local decision-making with the right checks and balances in place. Furthermore, I would advocate fuller and stronger involvement by parent groups as stakeholders and partners, as equals. Our schools need regular maintenance and care, some more than others, and there should be a clear plan with clear timelines and frequent reassessments, as I mentioned, along the way.

I can digress here a bit and editorialize, Mr. Chairman, how I think it was poor planning, an example of government shortsightedness, to pay off the financial, or on paper, debt at the expense of school boards and local health authorities. That's also assuming that we believe or share this government's view that the unfunded teachers' liability in the neighbourhood of \$4 billion for the government portion alone – and then the teachers are on the hook for about \$2 billion on their own in today's dollars – is not a debt. So the question is: are we truly debt free? I don't think so.

What this government has done was eliminate the debt on paper while postponing or ignoring required and timely maintenance and upkeep projects and allowing the infrastructure in our schools, hospitals, and roads to deteriorate plus the fact that what we could have fixed up or kept up six or seven or, indeed, 14 years ago, when the so-called revolution began, at those years' dollars would have saved us enormously at today's dollars. But, again, these are symptoms of a government adrift on autopilot, only looking under its feet, with no worries about tomorrow. Mr. Chairman, that tomorrow is here now, today, and we cannot and will not wait any longer or forgive any more of this government's sins.

Applying the deep cuts back in 1992-93, which amounted in some instances to sabotage by this government and its former finance minister, who's now hoping to come back, was one thing. But this government abandoning its responsibility and mixing up its priorities, with no vision or sense of direction whatsoever, is another and more important thing. Penalizing school boards if they run deficits while denying them the adequate support that they need is wrong. As I said yesterday, boasting about giving them an average 3.2 per cent increase over last year compared to the inflation in Alberta, which is the highest in Canada at 4.3 per cent, is hardly something to be proud of. When the base instruction grant per student is \$5,200 in 2006-07 compared to \$6,800 back in 2000-01, something in this picture is not right. Not offering the required flexibility or even minimal autonomy to principals to manage their own school affairs and run their organizations is also wrong. But, as I said, Mr. Chairman, I digress.

Back to Edmonton-McClung. I'm not sure if you're aware, Mr.

Chairman, that my constituency is experiencing the highest rate of growth in Edmonton, tremendous growth west of the Anthony Henday Drive. There is a housing building frenzy, and the population is rapidly and constantly growing. I would bet you that at least 2,000 to 3,000 new people now make McClung their home compared to 2004 figures. Most of these newcomers to the west end. More importantly, south of the Whitemud in my constituency are young people with children or young couples who moved to Alberta to settle and start families. So in a year or two or three these families are also going to have children. We urgently need at least one elementary school in that area to serve the residents of the Grange, Glastonbury, and the Hamptons. That's the start.

9:00

We may also need to potentially look at a junior high school as well, perhaps, as time goes on, in three to five years' time. So I hope the hon. Minister of Education would take this into account. The people of Edmonton-McClung, especially, as I mentioned, west of the Anthony Henday, have a lot of difficulty actually busing their kids to other schools. I think that at least an elementary school to start plus potentially a junior high is advised. I know that the land and the infrastructure are there. All we have missing or lacking or maybe not yet is the will and the resources allocated by the hon. Minister of Education.

Moving on, another constituency which I particularly care about is Sherwood Park. Sherwood Park has about 20 to 22 schools, and some of them are in better shape than others. Now, looking at their facility index, some of them were at, you know, 24, 25. One was at 37 per cent, which means that it would cost 37 per cent to fix it or it would cost 100 per cent to replace it. So it's really in bad shape. This particular one is Madonna Catholic school, and they had a raw score of about 410 back in '99. In 2005, Mr. Chairman, this particular school, for example, needs about 2 and a quarter million dollars for all the upgrades and all the maintenance.

Take another one: Brentwood school. Brentwood school has an FCI of 25 per cent. Surprisingly, in 1999-2000 their estimated requirements were valued at about \$626,000. In 2005, which is about five years later, it actually skyrocketed to \$1.5 million, so that's like a big 150 per cent jump, a raw score of about 300.

Take another one: Campbelltown school, raw score of 510, and in '99 they needed \$652,000. In 2005 they needed \$1.16 million. Take Fultonvale elementary school at a raw score of 490: in '99 they needed \$737,000. It rose by about a hundred thousand to \$876,000 in 2005. Take Pine Street school: they needed \$499,000 back in '99; in 2005, \$744,000.

The list goes on. Take Wes Hosford school, raw score 450: in '99 they needed \$475,000. Nothing got done or not enough, and in 2005 they needed \$970,000. Madonna I mentioned needing \$2.25 million.

Other ones for which we don't have the 2005 figures include Bev Facey composite. In '99 they needed \$1.6 million. I'm not sure where they stand today, if in fact a reassessment has been done. Salisbury composite: back then \$977,000. Again, we're not sure where they're at today.

Mr. Eggen: That's my high school.

Mr. Elsalhy: Oh, the hon. Member for Edmonton-Calder went to that school. Was it bad back then?

Mr. Eggen: Salisbury? Yeah, it was falling apart.

Mr. Elsalhy: It was falling apart back then, and we need to be made aware of improvements at least.

Sherwood Heights junior high: back then 1 and a quarter million, and again we're not sure what's happening today. Woodbridge Farms: \$701,000; we're not sure what's happening today. Father Kenneth Kearns went down minimally. It required \$1.1 million back in '99. It requires \$1 million in 2005, so some progress, but their FCI is 24 per cent. Jean Vanier at a raw score of 520, again, slightly went down from \$1.5 million to about \$800,000. Our Lady of Perpetual Help, \$837,000. St. Luke Catholic, \$818,000 back in '99.

So tons of money needed for schools in Sherwood Park. I would hope that the ministry shares with us the updated estimates for the year 2005, also the FCI figures, to give us a better understanding of the maintenance picture in those schools in Sherwood Park.

Now, why would we worry? We worry, Mr. Chairman, because what we don't fix today would cost more tomorrow. My hon. colleague from Edmonton-Meadowlark mentioned the analogy with the car and changing the oil frequently. It would definitely cost less to keep your engine running at optimal performance than wait until it dies, and then you have to replace it altogether.

Schools should not be viewed as an expense on the debit side of the budget. They should be looked at as assets. They're jewels in the community. They should be preserved, maintained, looked after, and looked to to give us the skilled workforce that we're hoping for in the future, to give us the tax base that we're looking for in the future, and overall this is something that cannot be overlooked.

Now, in view of the time – I know that I'm approaching my 20-minute limit, and I also wanted to speak about health care – perhaps maybe after other speakers have had a chance, I would come back and talk some more about health care.

Thank you, Mr. Chairman.

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

Dr. B. Miller: Thank you, Mr. Chairman. It's my honour to speak for a few minutes about education in the context of my riding of Edmonton-Glenora. I want to talk about the impact of the budget supplementary supply on teaching, also on class size, and also on infrastructure.

Now, education is extremely important for my riding. There are two outstanding high schools, Ross Sheppard high school and also Archbishop MacDonald high school. The headquarters of the Alberta Teachers' Association is located in my riding. There are many faculty people from the University of Alberta, many teachers residing in my riding, and I know that they would want me to speak strongly about the need for adequate funding for education by the provincial government.

I want to move back before the supplementary supply estimates came out and before the appropriations bill, which is suggesting some additional increases, came before us to a few months ago, when school boards and also local schools had to deal with their budget issues. The government had promised a 2.8 per cent increase over the previous year, so most schools had to go with that offer in terms of their budgeting. A 2.8 increase was just not very much at all, so it put a lot of schools under a tremendous pressure.

I approve of school-based budgeting. When principals have to develop their budgets to provide the information to the school board, they're faced with a tremendous challenge: 2.8 per cent increase. Now, that doesn't really cover very much if we take into consideration the rising teacher costs, because all teachers gain experience through the years and move up the grid; therefore, their salaries increase, so that has an impact on the local school and the school board. Of course, there's inflation to consider. So 2.8 per cent really doesn't cover the rising teacher costs or inflation.

So right away boards of education, including the Edmonton school board, were faced with difficult decisions, and the schools themselves: tremendous difficulty in making decisions about what they should do. Faced with this minimal increase, principals are faced with either teachers must be cut, as in the case of Archbishop MacDonald high school, where they had to reduce their staff by five teachers, and their class sizes are still quite high. Of course, reducing teachers leads to an increase in class sizes. That's what principals have to decide. If they're going to present a balanced budget, they might have to cut teachers. So it's either cut teachers or keep teachers and reduce spending on services, supplies, and equipment.

9:10

Now, I sat down with the principal at Glenora elementary school and went through some of the budgeting agonies that they go through every spring. One of the real problems is that given the high value on education that people have, most schools want to keep as many teachers as possible and have the full allotment of teachers. That sometimes forces them into a quite unacceptable situation, where the proportion of money directed to teaching goes up all the time. The optimum might be around 80 per cent or 85 per cent of their total budget, but it keeps going up under the pressures of the lack of funding from the province and the board of education. In Glenora school it went up from the low 80s to 86 per cent and then this year 89 per cent. Eighty-nine per cent of their budget is going to cover teachers and the cost of teaching.

Eleven per cent of their budget is then for services, supplies, and equipment, to cover the plant operations, maintenance, custodial work, utilities, supplies. There just isn't enough money, out of that 11 per cent, to cover all of those things, so that leads to putting pressure on parents. The parents are forced, then, to worry about the school not having enough supplies, enough textbooks for their children, so they begin to get into fundraising schemes, casinos, whatever, to raise money to cover the costs that are not covered by this 11 per cent.

That's what happens every year. The principal and the parents and the teachers go through this whole process of budgeting. Then the Minister of Education suggests that it's all speculative anyway because even though these budgets are presented, you have to wait for enrolments to come in in September to figure out exactly what the school is going to get. I resent that term "speculative" being used because if this process is to have real meaning, then it's got to have greater recognition by the provincial government and the Department of Education.

So all of these requests, these budgets, go in, and we wait for the enrolments. Well, through the summer I guess the Minister of Education got the message that the amount of money, the 2.8 per cent increase over the previous year, was just not going to do it, so there is additional money in the supplementary supply.

Now, when I look at the amount of money here, there is the \$52 million for operating support to public and separate schools, and then there's the \$240 million for infrastructure. Out of the operating money quite a bit of it is dedicated to specialized applications like students with severe disabilities – and I have no problems with that – or funding in the area of English as a Second Language and the class size initiative, which I'll comment on in a few minutes. But, really, the only addition to the general operating expenses of schools is the \$16,500,000, for a 1 per cent base instruction grant increase.

Mr. Chairman, this is really a drop in the bucket. I mean, when you consider the huge, huge budget of education in this province, a 1 per cent increase in base instruction doesn't really amount to very

much. In fact, there are some high schools in this province that have as large a budget as that amount. So, really, I think that the 2.8 per cent increase that was suggested by the Department of Education over last year – it was supposed to be a 2.8 per cent increase – with this 1 per cent increase in the base instruction grant brings it up to a 3.8 per cent, or almost 4 per cent, increase over last year. But given all of the expenses when we factor in transportation costs, fuel costs, utility costs, and the rising inflation and so on, I don't think that this amount really will make much difference in terms of the decisions that have had to be made by schools already in terms of letting teachers go. So I'm really quite dissatisfied with what the government has done. There's not very much help here at all.

Now, I just want to make a few comments about class size. I applaud the government for putting \$28 million into the class-size initiative. I think this is a really important issue. The Learning Commission suggested that the average class sizes across the province should go down. They suggested guidelines such as junior kindergarten to grade 3, 17 students; grades 4 to 6, 23 students; grades 7 to 9, 25 students; and grades 10 to 12, 27 students. By and large, I think most of the schools in my riding are a little bit below those numbers although not by much, so I am really concerned about the effect that the money that's coming to the school board and then to the schools is going to have on class sizes. If the school is forced to let one teacher go, then the class sizes will go up.

I think there's a problem with the accounting for class size because the government always announces average class sizes across the whole province rather than looking at specific schools where there are special factors. Where you have a lot of schools with very small classes, that's averaged in with schools which have quite large classes. So the average looks good, but when you take a closer look at individual schools, then there are a lot of problems in terms of class size.

I notice that the Edmonton school board in a recent report was indicating that if the money coming in from the province was just the 2.8 per cent increase over last year, that would really affect class sizes. If there was no new money coming in, they expected that class sizes would really go up. I hope that this is enough money. This \$28 million that's going to school boards throughout the province: I hope that's enough to make a real difference in class sizes. So we'll watch that one. We'll see reports and monitor how that's going to develop for schools this year, especially when we have a report on the enrolments in September.

Now, turning to the infrastructure issue. This is a serious problem in my riding of Edmonton-Glenora because it's an older district with older schools, and there are a number of schools in my riding that have been earmarked for examination, for auditing in the future. There's the so-called sustainability list that the Edmonton school board provides, and there are at least six schools in my riding that are on the one- to three-year list and one school on the four- to six-year list. On the one- to three-year list I have in my riding the elementary schools Britannia, High Park, Grovenor, Coronation, Woodcroft, and Westglen, and on the four- to six-year list I have Inglewood.

Now, when schools appear on these lists, there's tremendous consternation on the part of parents because they're very worried that their school might be closed even though the school board indicates that being on the list doesn't mean that the school is going to be closed. It means that there's going to be a process of examination of the needs of the school and the trends and so on. But it is a serious issue, and I just hope that the school boards don't rush too fast, that they take their time because there are lots of changes to the demographics, especially in a riding like Glenora.

9:20

Many members of this Assembly whose ridings are in areas where there is tremendous housing development see the need for many new schools to be built, but there's still obviously a trend of young families moving back into older neighbourhoods. I see that when I knock on doors. I was knocking on doors near Westglen school in the community of Westmount, and I came across many, many young families. Of course, they started talking to me immediately about their school. When I asked them what their concerns were and what they would like to tell me about the issues facing provincial politics, they invariably mentioned education.

Many of the young families moved into the neighbourhood because of the older homes that are there. There are homes that were built just after the First World War. Westglen school itself was I think built in the 1940s. Let's see. I had a date here. I think it was 1944. It's a wonderful old school. It was originally built for a high school, so it has a huge gymnasium, big wide halls, and large classrooms with high ceilings. There's a lot of concern that it's difficult to maintain an elementary school with about 200 students in a building which was built for some 400 students, so there's some pressure on the local community in terms of what's going to happen to this particular school. There's the infrastructure need in terms of repair and of changes to the school, but I am really encouraged by the fact that the parents have organized themselves to try to do something about the present situation of that school. One of the things that they have come up with is a proposal to have Westglen elementary school changed into a community school.

Now, this is a very interesting initiative. There was a community school program in this province, a program that was started in 1980 and ran until the mid-90s, until this government cut that program, which was quite premature and misguided. I know from experience that a number of these schools in Edmonton really have thrived as community schools; for example, Norwood community school, Steinhauer community school, and Thorncliffe community school.

It was shortsighted of the government to cut that program. It didn't cost them much more to maintain that program because the idea of a community school is to involve agencies, social agencies in the community, groups in the community who might utilize the school in off-hours and contribute to rent and so on. It's been proven that community schools can increase the utilization of their building almost to 100 per cent, yet the cost in terms of additional money to school budgets is quite minuscule because most of the money they can get through the renting of the building by organizations in the community.

Now, I'm very impressed by the prospectus, the suggestions that this parents' group has come up with to make Westglen school into a community school. I think it's a concept that we have to revisit. We have to rethink the role of a school in the community. Now, it used to be the case that the school was the hub of activity in a given community, and that's what parents want to see again. They want to see the school utilized all the time, not just 20 per cent of the year but throughout the year, that even on the weekends the school would be available for sports groups, for adult education. The local school used to be the centre of adult education. I've been committed, as a former teacher, to lifelong learning for adults. The local school in our communities can be a real focus of adult learning. So I'm really intrigued by this concept of community schools. That might be something that we can bring back in the future.

Mr. Chairman, one of the problems of many of our older schools and one of the problems of this particular school, because it's so large and was built as a high school, is that the current ways in which the utilization is determined in terms of so much space per

student doesn't fit the older schools. It fits newer schools, but if you use that same formula for older schools, it doesn't fit. It puts the parents in a difficult situation when their kids are going to these older schools. So I'm looking for initiatives, new approaches to try to encourage people in the community to focus on their school so that they can continue to see the schools survive. [Dr. Miller's speaking time expired]

Well, I have much more, and I'll have to come back in a few minutes.

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

Mr. Backs: Thank you, Mr. Chair. I am pleased, actually, to be able to speak here today because we have a democracy in this country, but we don't have very many days and very much time to speak of these budgets. I am angry, actually, that we had to . . . [interjection] Oh, I hear a groan there from my colleague from Drayton Valley-Calmar that I should be angry at having to come back early to accommodate a fishing trip for our Premier and some fundraising buddies he has. I had to shorten a trip to west Africa. I was in Sierra Leone, and even though it was short, I had a tremendous trip.

I do convey the greetings from the Speaker of their Assembly. Actually, they invited me to tour their Parliament and speak in their Parliament, and I met with a number of their ministers on their invitation, which I was very surprised when I got there. One really sees, in contrast, some problems that some countries have, that being, according to the UN index, the poorest nation on this planet and the difficulties they had. I was there at the invitation of some now fairly large immigrant communities in our province from that area. I convey the thanks from their foreign minister for taking some of their people during times of difficult and brutal civil war.

[Mr. Johnson in the chair]

To the bill at hand here, to the estimates, this government can take no credit for the booming economy that we have right now. It can take no credit for the oil price and the present massive thrust to exploit our natural resources that the oil companies are doing, to try and exploit them and get as much as they can from our resources in the shortest possible time. But this government must take the blame for not looking beyond its nose to try and at least have some contingency plans in place to ensure a decent quality of life and protection for our environment as this massive thrust does take place. There is a responsibility for elected leaders to provide some leadership, and this group of elected leaders on the government side has been asleep at the switch. This government has abrogated, even forgotten, its responsibility to provide that leadership.

The real effect of much of what we've seen is just short-term solutions. Ad hoc solutions have become the norm. We see time and again the fact that we're back again to vote supplementary money: "Oops, didn't think about it. Oops, missed that. Oops, I guess we better put some dough into that." I think it's a crime that our Alberta children have to go through some disruption again this fall because the government couldn't get it right in its spring budget again. But it never gets it right in its spring budget because this government does not take that budget seriously. Time and again we're debating supplemental estimates. I've been here less than two years, and, gosh, it seems like every few months we're back for supplemental estimates. It just shows that this government doesn't really know what it's doing and generally gets it wrong. Short-term solutions are the norm. To use a farm term, this is a government that relies on haywire fixes and, indeed, is a haywire government. Where is the leadership?

9:30

You know, another haywire fix is clear in the push, in the proposals for temporary foreign workers, which really gets me how this will be of any tremendous benefit to Alberta or Albertans, especially in the sense that temporary foreign workers will not be able to bring their families, in the sense that they will not be able to live in a home other than some temporary camp environment, in the sense that they will not be able to stay in this country and will be sent home. I mean, we're hearing now about the problems in some of the packing plants who are having their temporary foreign workers sent home abruptly for reasons that sometimes they don't even know.

The Minister of Economic Development said today that they might be able to expand the provincial nominee program to 1,300 or so individuals from I think it's 800 or 900 now. I mean, it doesn't even come close to the needs of many of our small businesses, many of our restaurants, our packing plants, our industries that are hurting right now and that may be shrinking because of the nature of the short-term, ad hoc leadership that's been going on that doesn't take into account the needs of many of our economic sectors. Even the government identified that retention is somehow important. I don't know how a temporary foreign worker deals with retention in any way.

[Mr. Shariff in the chair]

You know, what we seem to get from this government so often, so much is that there's no leadership to try and ensure the quality of life for Albertans. The housing market is out of reach for many individuals. Homelessness is getting out of hand. I'm getting calls. Last week I had one. A woman on AISH, a small apartment, somehow couldn't take her daughter in – she has been sleeping in a tent in the ravine – trying to get somebody to put some space in her backyard so she can at least put the tent up in their backyard in the summer while it's still nice.

The numbers of people I see, you know, living near the bottle depots, the number of people sleeping on the mattresses outside. I've got a Goodwill store not too far from my constituency office, and continually they're trying to put themselves up in the back alley behind the area there. I didn't even see that in Sierra Leone, the poorest nation on Earth.

The problems that we see in this particular budget – I mean, it's good to see some monies being put forward to our schools. Again, though, it's ad hoc. It's late. You know, we're seeing some tremendous pressures. I have a lot of new construction in my constituency of Edmonton-Manning, a lot of whole new subdivisions going up. We're seeing the temporary classrooms go up. I remember going just before the end of the school year, and you could hardly breathe in the one of them because it was so hot. I wonder why we put our children into that sort of thing. We are seeing that the new Christian high school is not able to put forward a full slate of classes, and kids are being forced to go right across the city in order to take advantage of their facilities. The slowness of getting some of the new schools in place, the problems with upkeep, and the problems with the fundraising are clear all across the board.

This morning I met with a number of community leaders during the social function after the opening of the new Northgate Lions seniors' expansion, addition. I thank the government for the monies that they've put into that. That's a wonderful project and a wonderful thing for seniors and a wonderful thing for the communities of northeast Edmonton, but the problem that we're seeing is a shortage of volunteers. The hours of work for so many people in the

northeast part of our city and, indeed, much of Edmonton are becoming so long that they cannot be involved in coaching, in community activities, in a lot of the things, and much of it's falling on our seniors now, oddly enough. We have so, so many people – we're hearing stories of 24 and fours. That's the legal limit, if that's followed, 24 shifts on and four shifts off, as the minimum, for somebody to go to work.

People are going to Fort McMurray and to Lloydminster and to the diamond mines in the Territories and to largely the conventional oil industry, and it is really causing a great deal of distortion in our labour market. I mean, even the bank manager at one of the local banks, two blocks from my constituency office, quit two weeks ago to go work the rigs because he figured that if he works the rigs for a couple of weeks he could, you know, do better than working as a bank manager. We've obviously got a distorted labour market when we have things like that happening.

We have small businesses that can't get dishwashers. They can't get sous-chefs. I had two sous-chefs with one local restaurateur, who has a very nice restaurant – he's shut down his lunch trade because he wants to keep his quality. He wants to ensure that he can keep his business going in the way that he deems is best and that is a good quality product and doing things right as many Alberta businesses surely like to do. But he can't do that because he says his wife is going to leave him if he continues working the hours that he's been working. He shut down for a whole month in August, and he shut down much of his lunch trade.

You know, we're hurting our economic development. We're hurting our business development. We're hurting our business growth. Like the two chefs I talked to the one day, one told me he was going to go work in a rig camp, and one told me he was going to work on the rigs. That's what's been happening here for the last 18 months as we've had this high oil price and the need and the rush for exploitation.

It does affect the volunteers. It does affect minor hockey. It does affect the coaching. It does affect the soccer. It does affect all the other things that help to ensure that our communities and our children grow well, even outside of the schools. The schools are being forced to take up more of the baton, so to speak, more of the responsibility, as so often the parents are away and busy and working. The time that they have to spend in ensuring that the kids have some proper recreation and all of the rest of it and some of the teachers' times they give is more than what we would see in I think more normal times.

In some of the schools that have a lot of recent immigrant population, especially those of lower income, talking to the principals, talking to the teachers, the kids hardly see their parents. They're working two jobs with low incomes. The minimum wage is not enough to have a living wage even with two income earners in a family in this province, especially with the cost of housing, the rising cost of rental accommodation, and it has been rising very, very quickly. You know, people are afraid that they're going to be forced out of their rental accommodation if they don't continue with their jobs, and the people that are left behind are the kids. The people that are left behind are the children. I have teachers and principals telling me that some of these kids have been in this country for three and four and five years and have not even been to a park. The first time that they actually had an outing was just the school outings, coming to the Legislature. There's one grade 6 class that I spoke to just last spring. For some of the kids it was the first time they'd actually been anywhere in the city and done anything, and the teacher said that this is a common problem.

9:40

We don't have volunteers. People are out working huge, incredible hours. So many people out of town. The *Edmonton Journal* was surprised some months ago when they said: what's going on with 16,000 less jobs in Edmonton even though everybody's working and the place is booming? They're all working out of town. They're not here. That will change. There will be some huge, necessary, new requirements if we don't look at them fairly soon. I don't think we are really.

In the northeast portion of the city and actually in Sturgeon county and the areas where the new upgrader facilities and the other plants are going to be coming in, if we don't have the new bridge come in fairly quickly – and it will probably, I think, take three years to build the Anthony Henday east side – we're going to have some problems in trying to transport some of the modules, trying to transport a lot of the workers, trying to have a decent transportation system in place when we deal with that \$30 billion worth of investment. If we don't deal with the railroad bridge at Gibbons to ensure that there's enough ability for the larger loads to be transported on that route, we're going to run into some major difficulties. If we don't deal with some of these issues fairly quickly, we're going to run into some greater logjams than what we saw a few years ago when the upgrader was being built for Shell, and that was only 12,000 workers.

The necessity to deal with some of those things, the necessity to look ahead, the necessity to plan, the necessity to have some forward-looking leadership is something that I think we have to have continual emphasis on, and I don't see that at all from this government. It's just all ad hoc. It's all laissez-faire. It doesn't matter what happens; we'll see what happens.

The nature of the quality of life concerns are something that I'm hearing so often from many, many Albertans. Many are saying: "What is this boom? Where am I seeing this boom? Why am I not getting something extra, and why am I actually paying more, a lot more? Why is it that this boom is leaving me behind?" You hear from the people on AISH. You hear from the people on fixed incomes, the seniors and such. They are afraid of the rising costs for their accommodation, the rising costs for services, the rising costs for so many things. They just want to say to me: "Well, gosh, can we get some relief? Can we get some ability to get some benefit from this boom?" They don't see that they are getting any benefit.

The schools in Edmonton-Manning do have some needs for some particular types of better maintenance. There are a number of needs in some of the areas. There are some very good schools and some tremendous teachers. I have had a number of schools like one that was cutting their numbers of teachers. When I talked to them before the closure in June, they were going to decrease their number of grade 6 classes and lose one teacher even though they were going to have about a 20 per cent increase in students. That would have brought them to something like 37 students per grade 6 class, which I think is far, far too many.

Smaller schools sometimes run into these conundrums, and they have to make these choices, and it's very difficult. Many of them run into the problems of having to lose part of their special needs and all the rest of it. There's some money here that will be able to be moved around a little bit by some of the schools, and that's a good thing, but special needs continues to be a tremendous problem for many parents and many schools. Trying to deal with that and trying to fund partial positions and trying to fund the . . . [Mr. Backs' speaking time expired]

Thank you, Mr. Chairman.

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

Dr. Taft: Thank you, Mr. Chairman. I much appreciate the opportunity to speak here, as always, and appreciate the comments of everyone so far.

Mr. Mar: We're on the edges of our seats.

Dr. Taft: I'm sure. Yes. One members says that he's on the edge of his seat. Well, listen. For those quieter moments in the Legislature a few years ago I bought a little book called *The Languid Goat is Always Thin: The World's Strangest Proverbs*. See, everybody's already listening. It's full of very strange proverbs. I thought a couple of them since the Treasurer is here. There is no economy in going to bed early to save candles if the result be twins. A little lesson in false economy. Here's another one from the Chinese: govern a great nation as you would cook a small fish, which means, I think, take great care. Maybe it means don't overcook it. Anyway, we could go on and have some fun with that.

I'm actually rising tonight to address issues of economy and issues of careful governance, Mr. Chairman, and I am going to propose an amendment to the bill before us, an amendment that is intended to save a little bit of money for the taxpayer. I've got the appropriate number of copies here, including the original, and I shall wait a moment while it is distributed.

The Deputy Chair: Hon. members, the amendment that's being proposed is being circulated, and for the record we shall refer to this amendment as amendment A1.

Hon. member, you may proceed.

9:50

Dr. Taft: Thank you, Mr. Chairman. The notice of amendment reads as follows: that Bill 44, Appropriation (Supplementary Supply) Act, 2006 (No. 2), be amended as follows. Under part A section 1 is amended by striking out "\$1,366,053,000" and substituting "\$1,361,253,000". Under part B the schedule is amended (a) on page 3 following "Agriculture, Food and Rural Development Expense and Equipment/Inventory Purchases" by striking out "\$270,800,000" and substituting "\$266,000,000"; (b) on page 4 following "Amount of Expense or Expense and Equipment/Inventory Purchases to be voted under section 1" by striking out "\$1,366,053,000" and substituting "\$1,361,253,000."

Now, I'm sure that every member is wondering why I am proposing this amendment. The intent of the amendment here, Mr. Chairman, is to trim \$4.8 million from the proposed expenditures by the government. That \$4.8 million is the amount equivalent to the proposed amount going to be used for a municipal waste-water project to support a project in Rocky View MD that includes a horse-racing track and an equine centre. This is on page 18 of the supplementary supply estimates, the complete document.

Given the number of ministers here today who may well be informed on this issue, maybe we can clarify some explanations here. The reasons for my concern are several. First of all, from what I know of this project, it is an immense project. There is the large racetrack that will replace the one that has been held at the Stampede grounds for so many, many years. There will be an equine centre with a training facility for people learning about equine care through Olds College. There will be an industrial park, and in addition there will be a mall to rival West Edmonton Mall, a large hotel, and goodness knows what else. This facility, if people aren't aware, is proposed on basically the north edge of Calgary between Calgary and Airdrie on the east side of highway 2. Indeed, the ground is already being prepared for this project.

Now the project itself involves, as I understand it – and I'm prepared to be corrected – a huge, in fact I think Canada's largest, shopping centre developer, a company that has billions of dollars in assets. Undoubtedly, within that shopping centre there are proposed to be a large number of huge retailers, some of the largest in the United States who have been moving into Alberta with this mall. In addition a major hotel and, as I mentioned, a large racetrack. There are all kinds of backers, enormous backers, to this project. So I have to ask myself why the taxpayers of Alberta are contributing millions of dollars in infrastructure funding to handle waste water from this project.

But my concerns go beyond that, Mr. Chairman. The water issue that Alberta faces is coming to a head with this particular project, and I think this is going to be the beginning of a whole wave of projects in which water becomes a constraint and an innate issue of debate. The city of Calgary has actually refused to provide water to this project, as I understand it. Again, with the people here today on the government side, I may well be corrected, but my understanding is that the city of Calgary has refused to provide water to this project because they disagree with the nature of the project. They aren't able to work out an agreement with the MD of Rocky View, and of course the water supply for the project is immense.

The Bow River is already heavily drawn on, so the water for this project as it is planned, I understand, is going to be taken from the Red Deer River and piped quite a long distance to the north edge of Calgary. I think we all need to consider and question the wisdom of that. The Red Deer River is not a large river, nor is the Bow River. To be draining further water from the Red Deer River to support a megaproject driven by largely retail and horse racing I think is of some dubious wisdom.

Now, I understand from people who live in the central Alberta region that this summer there were times when there was a regional water shortage, and people drawing on water in central Alberta were actually asked to curtail consumption. This was not a terribly dry summer. I have to ask myself, Mr. Chairman, what will happen in a dry summer or a series of dry summers, when the Red Deer River is not simply the source of drinking water and industrial water for now a major portion of central Alberta from north of Ponoka to – gosh, I don't know how far south – way south of Bowden, I think, and then on top of that has to provide water for this megaproject on the edge of Calgary. I think we may find some backlash from the residents of central Alberta who aren't able to consume the water they want while a vast amount is being shipped to a big development on the edge of Calgary. So I have questions, and I'd love to see some debate in this Assembly on the water allocations for this project.

Beyond that, I have to question the public's appetite for yet more subsidies or more allocation of public funds to horse racing. I know that the horse-racing industry employs lots of people. They've spent time with me and with other members of our caucus lobbying, and we listened carefully. We're not anti horse racing, but we do expect at some point the special deal that was cut for the horse-racing industry to be phased out, and we expect the horse-racing industry to ultimately stand on its own four legs, as it were, Mr. Chairman.

So \$63 million, if memory serves me right, will be provided from lottery funds to the horse-racing industry this year. Do they really need – do they really need – another \$4.8 million subsidy? I question that.

Finally, Mr. Chairman, I have to question the wisdom of the uncontrolled development that this project represents and that is, I think, the reason the city of Calgary is not providing water to it, one of the key reasons. [interjection] I've spoken to them. The Treasurer is questioning me. That's my information from the city of

Calgary. They are not supporting this kind of development. They are not particularly keen on contributing to the massive urban sprawl that I freely acknowledge the city of Calgary is already guilty of, but they seem not to want to exacerbate it further and are not keen on having a giant mall that rivals West Edmonton Mall and a giant horse-racing track and a huge resort on their northern edge, with all the traffic and water and power and all the other implications that provides. [interjections]

So, Mr. Chairman, those are the reasons why I move that we amend this bill by pulling the \$4.8 million intended for the wastewater treatment project at this horse-racing track. With those comments – I'm getting some heckling from members on the other side – I would love to have a debate, a good-natured debate.

Thank you very much.

The Deputy Chair: The hon. Minister for Agriculture, Food and Rural Development.

Mr. Horner: Well, thank you, Mr. Chairman. It's a pleasure for me to rise to respond to this amendment and to encourage my colleagues to vote against this amendment. The premise upon which the argument has been made that we are supporting a particular project with \$4.8 million is absolutely false. In fact, as it says in the supplementary estimates book, it suggests that this is going to the municipal district of Rocky View under a program which has been in existence for some time. This is augmenting that program because, quite frankly, we've had a great deal of success with our rural counties with populations less than 40,000.

10:00

That's what this program was intended to do: to help these communities develop industries that are agricultural based, that provide employment for agriculture workers, that provide opportunities to grow our livestock sector, that provide opportunities for feed and supplements and veterinary care and, indeed, Mr. Chairman, probably even research and development and training, all related to the agricultural sector. Throw into that the aspect of rural development and ag tourism, and this becomes something of a very positive story.

When we talk about the municipal district of Rocky View's approval process, not ours, for us to say to a municipal district, "Thou shalt not approve a particular project that has to go through all of the environmental approvals and all of those other things that are going to have to happen," is somewhat, I would say, precious of us. I would think that the reeve of the municipal district of Rocky View might be somewhat concerned at the hon. member's reasoning behind his amendment.

I would certainly suggest to you, Mr. Chairman, that because of the success of this program that we have had in the beef slaughter industry, that we have had in ag tourism, that we have had in the agricultural industrial sector, including this project, that that's why we have this supplementary estimate here, because these dollars need to move before our year end.

So, Mr. Chairman, with those comments I will cede the floor to some of my colleagues, who also, I believe, have some comments to make on this. I would encourage the hon. members to vote this amendment down because it was based on the wrong premise.

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

Mr. Eggen: Thanks, Mr. Chairman. You know, I find it a bit rich that the hon. member previous is suggesting that the municipal district is calling the shots on these and other issues. It's always a

convenient excuse that we find from the other side here when they're trying to slip something behind the back of this Legislature, saying: "Oh, well, it's the MD who really wants it, it's the MD who has come up with it, and who are we to stand in the way of democracy? Blah, blah, blah." In fact, we see on a regular basis these MDs being manipulated by this provincial government to do those sorts of thing, as we see happening here with this particular circumstance.

Now, I was not aware of this water treatment thing, but certainly it is in keeping with a problem that I've seen with MDs being pushed into building water treatment plants in small, piecemeal fashions around the province when a regional strategy could satisfy the water needs and, in fact, satisfy being able to build a regional strategy for water conservation in a much more efficient way financially and ecologically as well. I know for a fact that there are a number of smaller communities that were building water treatment plants that ended up having to walk away from them or otherwise not be able to maintain them in the first place. I think that Claresholm is an example of that and also the northern municipal district adjacent to the town of Peace River, where the provincial government is encouraging them to build small water treatment plants when a regional system is much more efficient and much more prudent as well.

I did know, however, about this large project and the city of Calgary's opposition to it. I applaud them for trying to make some larger city plan for the area in defiance of this tendency to allow growth around the periphery of a city or growth just on the other side of even city limits in the areas around our province. You get this sort of doughnut effect where for taxation purposes or land purposes people are building just on the other side of the border of different jurisdictions to try to either get a better tax regime or what have you.

You end up with this suburbanization of our municipal areas, which is creating very serious land problems that we're going to have to face up to in the very near future. You end up with this sort of Orange county urban planning thing, which is actually an absence of urban planning, where eventually, you know, the city is spread out in an unreasonable way. You have these industrial areas next to residential and big malls sucking the vitality out of the centre. Calgary has a very fine sort of traditional urban centre with shops and whatnot around the middle, which is the sort of city that we should be looking towards rather than with large malls on the edge.

I applaud the spirit of the whole thing in this amendment in that it is saying: let's look and allow the city of Calgary to have their input, encouraging these very large projects in defiance of what they would like to have otherwise. This is new to me, but I would like to at least look more carefully before we approve something like this in terms of moving water from one area to another because it seems to me that if you are moving water from the Red Deer River over the hump to north of Calgary, then in fact you are moving water between basins as well unless you're planning to pump the effluent back up to the Red Deer River afterwards.

So I find this a very interesting bit of an amendment, certainly on the side of prudence and good management, and I do support it forthwith. Thank you.

The Deputy Chair: The hon. Minister of Municipal Affairs.

Mr. Renner: Thanks, Mr. Chairman. I just want to give the hon. members in the House a little bit of a history lesson from a municipalities perspective and why we find ourselves in this discussion tonight, some of the background that led up to this. The municipal district of Rocky View and most other municipal districts and counties throughout the province as of 1995, when the Municipal Government Act was changed, finally were recognized as equal to

every other municipality in this province. Every municipality, be it cities, towns, villages, or rural municipalities, now has the natural person powers, has the ability to make their own decisions and is not dependent upon some kind of an oversight regional planning commission that views rural municipalities as nothing more than land banks for the orderly development of urban municipalities. That travesty that we had in this province is now long behind us.

That's not to say that there is not some friction from time to time between urban and rural municipalities. We're dealing with that. We deal with that on an ongoing basis, and we're making some significant progress in that area. In fact, I remind hon. members that today before question period I introduced Mr. Don Johnson, who was part of the meeting that I participated in for the entire afternoon, that included Bob Hawkesworth, the president of AUMA, who represents all of the cities, towns, and villages in the province; Mr. Johnson representing all of the rural municipalities; as well as Mr. Mandel, the mayor of Edmonton; and Mr. Bronconnier, the mayor of Calgary. Among many things the minister's council is dealing with is this issue of intermunicipal relationships, and we are making some significant progress.

I want to talk specifically about Calgary because I think Calgary is starting to set some examples that the rest of the province and perhaps even the rest of North America is going to watch very closely. The Calgary Regional Partnership is finally beginning to put some frames around its own existence, beginning to talk about a regional plan, not a plan that's imposed upon the region from upon high but a plan that's negotiated and planned by all of the partners within the region, some 22 different municipalities that lie within the Calgary Regional Partnership. So that is the context in which we talk about industrial expansion and expansion in a planned way, not an oversight kind of planning but a co-operative plan. From time to time, like any family, there are going to be disputes, there are going to be issues that need to be resolved, and we are dealing with those on an as-needed basis.

10:10

Now, that being said, the MD of Rocky View has for some time been putting into place the ability for them to accommodate development throughout that section of the MD so that they will be able to provide water and waste-water services not just for this one development but for a number of developments that they have planned, both industrial and residential. Frankly, I think the last thing that we want is to see piecemeal development without having the preplanning of having water and waste-water services because as density begins to grow and we begin to depend upon septic systems and wells and everything else that goes along with it, we find that that is not good, strong development.

This is, as the minister of agriculture mentioned, part of an ongoing program that the government has in place to assist rural municipalities to begin to develop water and waste-water systems. In some cases they go towards regional systems, and this could at some point in time be incorporated into a larger regional system. The MD of Rocky View also has long-term plans to extend a water and waste-water system in the west part of the MD to deal with some much-needed water and waste-water issues in the Bragg Creek and the Springbank areas as well. So all of this at some point in time has the ability to be tied together.

On behalf of the MD of Rocky View, who have spent many, many hours talking with me, talking with other members of our caucus to explain what their long-term plans are, how this will assist them in advancing what they already had in place to allow for their economic development, the well-being of their citizens, I urge all members of

the House to vote against this poorly thought out and ill-conceived amendment.

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

Mr. Backs: Thank you, Mr. Chair. I rise to speak strongly in favour of this amendment. I think it's wise. I think the minister of agriculture speaks with a forked tongue. And that's not unparliamentary; I checked it. [interjections] It's not on the list. The nature of saying that there are rural development issues involved with placing a huge development on the edge of the city of Calgary is facetious at best.

This particular project, \$4.8 million, is not chump change when you really look at it. It may be in terms of how the government looks at it quite often and looks at many of these particular things, but it's not chump change. It's a lot of money. It could go to a lot of things in classrooms. It could go to a lot of things in many, many areas. It certainly could help some things that should be a higher priority than this to the government.

The Municipal Affairs minister said that, you know, regional planning for the cities should just be co-operative and should just be something that's not – it's almost a bad thing. I wonder about that. You know, the Member for Edmonton-Calder mentioned the Orange county problems, and many people who have been down in that particular part of the United States really see the problems of no planning. Some people term that the Lakeland model. What we see in some of those areas in terms of planning is that whole municipalities have been brought up and developed just for particular purposes. There are municipalities called "Dairy." There are municipalities called "Industry." There are municipalities that are single-purpose and single-taxation . . .

The Deputy Chair: Hon. member, there is a point of order being raised by the Minister of Agriculture, Food and Rural Development.

**Point of Order
Parliamentary Language**

Mr. Horner: Mr. Chairman, I'm raising a point of order under sections 23(h), (i), and (j). "Speaking with a forked tongue" is a common English phrase that would imply that I have lied in some way, shape, or form; in other words, he is making the allegation that I am lying to this House. I take that extremely seriously, and I believe that it is also unparliamentary to be accusing a member, even if he believes it to be in jest. He is in this House, and he should understand the seriousness of such a charge.

The Deputy Chair: The hon. Member for Edmonton-Manning on the point of order.

Mr. Backs: Thank you, Mr. Chair. I don't see that particular term being listed as unparliamentary language or being termed to be lying. Speaking with forked tongue could be seen to be speaking not necessarily as a lie but with some sense of ensuring that the statement is not exactly as it seems. If the minister did think it was something particularly derogatory to him and all the rest of it, I do withdraw that, Mr. Chair.

If I can continue then?

The Deputy Chair: No.

Hon. members, this is an Assembly of honourable people, honourable members, and when we play around with words, we hurt people's integrity in this Assembly. If there is a withdrawal to be done, then the withdrawal has to be done unconditionally. I'll give

the Member for Edmonton-Manning an opportunity to withdraw unconditionally those words that he attributed to the Minister of Agriculture, Food and Rural Development.

Mr. Backs: Thank you. I withdraw without condition the words “forked tongue.”

The Deputy Chair: That’s accepted. Thank you. You may now proceed.

Debate Continued

Mr. Backs: Thank you. The nature of the particular development here is one that is not, I think, anything that should be determined or seen to be rural development. It is on the edge of the city. It is something that is huge. It is not just an agricultural development; it is meant to be a megamall. It will be of a size that will equal the West Edmonton Mall, and that’s a pretty large development – this one here actually took many phases and many years to develop – and the water resources are a huge issue. Are we going to carve out some new sort of municipality and call it “Water” now even though the water is not there?

I strongly urge this Assembly to vote for this amendment, Mr. Chair. I think it’s a wise move.

Mrs. McClellan: Mr. Chairman, I’d like to speak just briefly, as we are debating the supplementary supply estimates, the appropriation bill that I moved in this Assembly. Mr. Chairman, I have been puzzled for some time and have tried hard to understand why both opposition benches are so opposed to an industry that actually contributes in not only a traditional and a historic way to this province but currently very strongly economically: a \$385 million contribution estimated this year; 8,100 persons employed, particularly in this city, where we just on Saturday had 12,000 people attend the Canadian Derby, 12,000 people – men, women, children – people that came to this city for that race, that enjoyed the amenities of this city and contributed to it.

On Sunday the Nat Christie in Calgary: a similar experience. The hundreds and hundreds of people in this province, many of them right around this city, that make their living in this industry, whether it’s in raising horses or whether it’s in feed, training: I would invite the hon. members to go and visit the backstretch here and see the number of people that are happily and proudly employed, many of those who might not enjoy employment and a sense of pride as they do in their job.

10:20

I don’t understand this other than that it’s a good way to needle things in the \$48 million, which the Minister of Gaming has explained more than once only occurs if they earn it. I mean, if you don’t produce, you don’t get the money.

To look at this project and say that because it has a racetrack attached to it, it shouldn’t go – and the specious arguments of the amount of water that it’s going to take. The Edmonton MLAs are sitting in this room saying: you can’t have a megamall on the perimeters of Calgary. We have West Edmonton Mall, which is a huge tourist attraction for this city, I believe a huge asset to this city. It probably uses a little bit of water here and there. I don’t see the members on this side of the House saying that that mall shouldn’t exist, although I’ve heard a few negatives over there on that one, too.

But the other part of it, Mr. Chairman, is the equine centre. It speaks to a lack of understanding of those caucuses of agriculture in this province and the importance of it. Alberta has the largest

number of horses per capita per region of anywhere in Canada, whether it’s Spruce Meadows, which is the number one venue in the world today. It used to be on par with Aachen; now it’s considered number one. A huge number of people come there. There will be an event there this week that will attract thousands and thousands of people. That is a major part of our industry.

The western heritage, the films that are made here, that outfitters here provide all of the horses for, the tourist side of it, the working horse that still works in this province: if you were out in the grasslands, you would see where people ride horses because they will not put vehicles on grass.

The number of people that are involved in this industry is huge. Why it seems to be the target at almost every discussion – and to suggest that they’re not saying that they don’t like horse racing. Well, I can tell you that the racing industry doesn’t believe that one because of the many derogatory and negative comments that have been attributed to an industry that has a proud history and is making a very good contribution to us.

The equine centre: what an opportunity for us. With the horse population overall in this province, to have that equine centre attached with Olds College, with the new veterinary college that is in Calgary, we have an opportunity to be the horse-health centre of western Canada, if not all. Research: all of those opportunities are here.

What I don’t understand is why we can’t look at the larger picture in this Assembly. It isn’t all about one thing. Alberta is many things. The horse industry and racing – I was at Millarville, at their anniversary. What an amazing event. My hon. colleague who’s the MLA for there was there as well. Thousands of people visit Millarville, one of the oldest traditions in this province: 6,000 this year at that. Amazing. Amazing. These are people. These are the grassroots people of this province, and it’s really what built this province.

Hon. members, you might want to look around at your caucus benches and not find it surprising that you do not have one rural member, and until you understand rural Alberta – understand rural Alberta – understand the contribution that agriculture makes to this province, I don’t think those stats are going to change.

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

Mr. R. Miller: Well, thank you very much, Mr. Chairman. I’d like to thank the Member for Edmonton-Riverview for bringing forward this amendment because it leads into exactly what I was speaking to this afternoon when I ran out of time, and that is a number of questions about this particular request for money. The question I was actually asking when I ran out of time earlier this afternoon was why this particular \$4.8 million appears under the Agriculture, Food and Rural Development department.

When you flip through the book to Environment – I believe it was Environment.

Mr. Renner: Agriculture, Food and Rural Development: that’s the name of the department.

Mr. R. Miller: The Minister of Municipal Affairs is suggesting Agriculture, Food and Rural Development, but my point this afternoon was that when you flip to the supplementary estimates for Environment, there’s \$3.7 million there “for the Alberta Waste Management Assistance grant program to support waste management contracts and commitments.” My question quite simply was: why do we find a similar expense in a different place? It doesn’t strike me as being terribly efficient in terms of governance. We

have a RAGE department, the Department of Restructuring and Government Efficiency, which is supposed to look after these sorts of things, and here we have two departments asking for supplemental spending for what, would appear to me at least, basically the same thing. I have yet to hear an explanation from anybody who's spoken on the other side as to why that occurs.

Now the other thing I was mentioning this afternoon – I'm not sure whether or not members opposite were listening; I'm going to guess probably not – was that despite the minister's protestations a minute ago, we're not necessarily against the horse-racing industry. Yes, they are an easy target, and, yes, we do isolate that particular instance and refer to it a lot. My explanation this afternoon – and I'm happy to make it again – was that when the people of this province look at priorities and when you look at, in this case, \$8.3 million additional funding for the horse-racing industry on top of the \$66 million . . .

Mrs. McClellan: It isn't.

Mr. R. Miller: Now the Minister of Finance is protesting that that's not what it's for, and the minister of agriculture stood up a few minutes ago and said: that's not what it's for; it's not for one particular project. Their very own document, Mr. Chairman, says: "to support a project in the Municipal District of Rockyview that includes a horseracing track and an equine centre." So it's very clearly for one particular project. It's right there in black and white from their own Public Affairs Bureau. For them to protest now that that's not what it's about, well, I'm sorry; I just don't believe it. It's very clearly in front of us. That's what it's about.

To make my point, we have Fort McMurray and the municipal district of Wood Buffalo crying for proper funding so that they can address their waste-water management needs. This is where we pick on the horse-racing industry, because when you put these two on a scale and you say: waste-water management for the municipality of Wood Buffalo, an area that has doubled in size in the last 10 years, an area where you have the local council appearing before the EUB, a minister of this government supposedly shutting off half of his brain so that he can appear in front of the EUB using the other half of his brain as the MLA for that constituency – these are his own words, Madam Minister. There's so much concern about what's happening up there.

The people of this province, quite frankly, look at a document like this and they say: \$8.3 million for the horse-racing industry when we can't fund waste-water management in the municipality of Wood Buffalo. That's why we pick on the horse-racing industry. It's not because we don't like them; it's because they are an easy target when you look at those two situations. It's a question of priorities.

10:30

You know, I really get upset – and I've made this comment publicly before – when people talk about the tax-and-spend Liberals. We have been the voice of reason. We've been the voice of discipline. We've been the voice of fiscal conservatism in this House since the day that I and my colleagues were elected. If it wasn't for the members of the Official Opposition, there would be nobody in this House talking about fiscal conservatism because the people opposite – and I made this argument this afternoon – spend money as quickly as it comes in. Madam Minister, you know that that's a fact because you announced last week downstairs in the media room \$1.5 billion in extra spending at the same time that you announced \$1.5 billion in unbudgeted surplus. We're spending the money as fast as it comes in, and that is a problem as well.

Now, the other thing. And I'm glad that my colleague from

Edmonton-Calder raised this because it's another really good question. If, in fact, the argument that the Minister of Finance and the minister of agriculture are making is that this isn't just one project but that this is part of a bigger picture, then my question is: why are we not talking about the bigger picture?

In this morning's media clippings there's a very interesting story published in the *Carstairs Courier*.

An Hon. Member: Table it.

Mr. R. Miller: I'm happy to table it, and I would really hope that all members opposite would take the time to read it after I table it.

This story talks about the need for a regional strategy for waste-water management – guess where? – in communities throughout central Alberta, from Crossfield to Lacombe. Now, they're talking about \$200 million. There's actually a quote in here from somebody who works for the Department of Infrastructure and Transportation saying that this makes sense. But nowhere in here, nowhere in this story, nowhere does it reference anybody from Alberta Infrastructure and Transportation talking about tying in this project at the racetrack in the county of Rocky View to a central strategy for waste water in central Alberta. Why not? If, in fact, as the ministers are trying to tell us, this is part of a bigger picture, then why aren't we talking about it? It doesn't reference it in here. It doesn't reference it in the newspaper today, and it certainly doesn't reference it in your documents asking for the money. In fact, all you talk about here is to support a project in the municipal district of Rocky View that includes a horse-racing track and an equine centre.

So you know what? Here we are once again talking about the lack of a vision and the lack of a plan. I'm sorry, but I have yet to hear any explanation from the other side that would tell me that there really is a vision or a plan. Once again, as my colleague from Edmonton-Manning suggested, it's ad hoc spending, ad hoc thinking. It drives me crazy, quite frankly, and I know that it drives the people of this province crazy.

You know, I had a breakfast meeting this morning where I had the pleasure of . . .

Dr. Taft: Did they serve water at the meeting?

Mr. R. Miller: We had water. It was very fine water.

I was at a breakfast meeting this morning where I also had the pleasure of spending some time with the mayor of the city of Edmonton. The Minister of Municipal Affairs was talking about his afternoon meeting with Mayor Mandel and several other municipal leaders. Well, you know what the mayor's message was to my Rotary Club this morning? He talked about the need for planned growth. He talked about the need for a vision. He talked about the need to manage the incredible opportunity that we have right now, the same sorts of things that people on this side of the House have been talking about for two years, the same sorts of things that somebody, a minister, on the other side of the House yesterday said that only the opposition Liberals would think about. The Minister of Human Resources and Employment – you can check *Hansard* – said that only the opposition Liberals would think about what might happen in the future. You know what? Unfortunately, I'm starting to think that he was right.

You know, I started off speaking to this amendment. I think I probably wandered, but nobody called me on relevance, so I probably got away with it. So I'm going to take my place now and encourage all members of this House to vote in favour of this particular amendment. I would hope that if, in fact, it were to be fortunate enough to pass, we could look at that \$4.8 million that

we're talking about, and maybe we could apply it to something on the scale that really matters to Albertans, something that really matters to Albertans. I'm thinking more along the lines of, perhaps, affordable housing, which is becoming a bigger issue by the day.

As we debate \$4.8 million for the horse-racing industry, we have people that are dying in the river valley because they're living in tents and are not protected properly. We have people in Fort McMurray that are living on the streets. In Fort McMurray of all places. So, you know, if we're going to talk about \$4.8 million dollars in supplemental spending for something that we really, really need now, something that we couldn't have thought of three months ago, when we were in this House passing a \$30 billion budget, let's talk about the emerging problems, not a horse-racing complex that has been in the planning stages for years and years and years. Let's talk about an emergent problem like the homelessness and the escalating rents.

We've got a leadership candidate who yesterday suggested that companies should provide housing for people coming in from out of province. I can only imagine the situation when multinational oil companies start buying up entire blocks of apartments or condominiums, forcing the residents out so that they can bring people in from out of province.

So we have problems, yes. We have emergent issues in this province, yes. We have all sorts of things that require supplemental spending on an emergency basis. A racetrack outside of Calgary that's been in the planning stages for years and years and years: I'm sorry; it's not one of them right now.

Mr. Horner: Mr. Chairman, the opposition and, notably, several members have been trying to take what is a program that has been in Alberta Agriculture for some number of years now that is related to smaller municipalities with a smaller population base, who are not eligible for a lot of the grants that large municipalities get, that want to develop industrial areas or agricultural industries within their counties – we help them in Alberta Agriculture with waste-water and water planning strategies. We help them with capital cost. We don't pay the whole cost; the county has to pick up a good chunk of that as well. The county also gets developments within that industrial complex to also pay for that.

This is a long-standing program. If the opposition members, who have been so eloquent about their opposition to racetracks, who have been so eloquent about their opposition to smaller counties doing their own planning and approvals, who have been so eloquent about all the things that they're against had taken the time to educate themselves about the program when I brought my budget forward this spring, then this would probably not be so much a question of "Gee, why are you doing this, Doug?" as "Geez, the program has been so successful."

In order to complete the applications that are on the books right now, we need this supplementary estimate to ensure that these developments move forward on behalf of the counties, Mr. Chairman. We are not paying these dollars to the developments. We're paying them to the counties to help these smaller counties.

I see the Leader of the Official Opposition is laughing because, I guess, he believes in what his other member had to retract. What I'm saying is the truth.

The other thing that I might bring up, Mr. Chairman, is the fact that we don't go out and solicit these applications from the counties. They make the application to us because the AAMDC and all of these counties who are eligible are quite aware of these programs. Again, I would encourage the hon. members, much as my colleague the Minister of Finance did, to perhaps go out and talk to these rural municipalities before they lambaste them in this House for being

inept. I think that the municipal district of Rocky View is going to be rather interested in some of these comments.

I would also say that the hon. Member for Edmonton-Calder has made me a little bit concerned because I represent two of the smaller cities. In fact, one of your members represents in partnership with me the city of St. Albert, which is part of the ring around the city of Edmonton. Based on the hon. Member for Edmonton-Calder's comments, I would have to surmise that he is advocating for central planning of the larger city over the smaller cities. I have to tell the hon. member that the residents of Spruce Grove and of St. Albert would be opposed to that at this point in time. I think that perhaps before making those types of comments, you might want to talk to the mayor of Spruce Grove, and you might want to talk to the mayor of St. Albert. For that matter, you might want to talk to the mayor of Fort Saskatchewan. I think you might find a little bit of a different view.

The Member for Edmonton-Rutherford talked about two different departments of supplementary estimates. I can tell the hon. member: they are for two different things. As I said, this is a program which has been in Alberta Agriculture for some time. I would encourage the hon. member, if he has concerns about that program, to perhaps come over and chat with me about it. I've yet to have that discussion with the hon. member, and I think it might be worth his while.

Because of that, Mr. Chairman, and because of all of the erroneous comments that have been made about this amendment and why it should be here, I do again ask all members to vote against this amendment.

10:40

The Deputy Chair: Are you ready for the vote?

The hon. Member for Edmonton-Meadowlark.

Mr. Tougas: Thank you, Mr. Chairman. Just a few brief comments. I think this amendment in many ways speaks to a bigger issue overall, and the issue is the lack of information we have to deal with as opposition MLAs. Now, we have a job to do here just as you have a job to do. We have been forced repeatedly to deal with one-line mentions in supplementary estimates, \$4.8 million. Vote for it. Well, we don't know what it's all about, and we don't have time to debate what it's all about.

It's very interesting to me that the only real debate we've had here tonight is when we brought up this amendment, and that got the minister of agriculture involved, which is great. We got the Minister of Municipal Affairs involved. This is great. We got the Minister of Finance involved, which is always interesting. So we got things happening here. But if it weren't for the fact that we had this amendment, none of this would have happened, and none of this information would have come out. That's a problem that we have. There's just not enough to go on as legislators to make proper decisions about expenses of almost \$5 million. It's still a lot of money, and it's a good thing for us to know, and it's easier for us to do our jobs as MLAs.

If I could address the Finance minister's comments about horse racing, she would probably be interested to know that we had a meeting with Dr. David Reid of Horse Racing Alberta. We had an excellent conversation with him. We had a very good conversation with him, and he invited us to come back to go around Northlands, and we're making arrangements for that. I believe a number of us are quite interested in doing that. So your assertions that we're all anti horse racing is entirely wrong. Nobody is anti horse racing. We're just concerned about the amount of money that's going into this industry, and it's got to learn to stand on its own two feet. He has admitted that to us, that this is a problem with them. So he's

going to address it, and I hope the whole industry addresses it too. But this business of being, "Oh, you're anti horse racing; you hate the rural people," all that kind of stuff, is entirely untrue.

That's all I have to say.

The Deputy Chair: Hon. members, we have just another two or three minutes to deal with this amendment.

Did you want to speak, hon. member?

Dr. Taft: Sure. I'll just quickly wrap up, Mr. Chairman. I do appreciate the debate, actually, and I continue to have profound concerns about this expenditure. It seems pretty clearly itemized, although briefly so, on page 18 of the supplementary supply estimates, which clearly relates to an equine centre and a racetrack, a racetrack and a centre that I understand is going to draw water from the Red Deer River down to the northern edge of Calgary. That draw will be facilitated by having this waste-water infrastructure in place. It's a threat, I believe, to the water supplies of central Alberta, from Ponoka down maybe as far as Crossfield. I think there is a question here for farmers in that region, and I think farmers will be concerned that the water is going for what is by any stretch of the imagination a huge commercial industrial project.

I'd like to know: what is the water draw going to be? What is the impact of this development going to be on the Red Deer River? I will tell the members opposite that we're not opposed to horse racing; we're opposed to special deals. The horse-racing industry is getting a special deal. You could make exactly the same arguments for all kinds of industries. The only one that gets a special deal is horse racing.

So with those comments, Mr. Chairman, I will urge everybody to vote for this amendment, anybody with an interest in the future of water of Alberta.

[Motion on amendment A1 lost]

The Deputy Chair: Hon. members, it is 10:45 now, and I hesitate to interrupt, but under Standing Order 64(4) I must put the question proposing the approval of the appropriation bill on the Order Paper for consideration by the Committee of the Whole. Does the committee approve the following appropriation bill: Bill 44, Appropriation (Supplementary Supply) Act, 2006 (No. 2)?

[Motion carried]

The Deputy Chair: Pursuant to Standing Order 64(4) the committee shall immediately rise and report.

[Mr. Shariff in the chair]

The Acting Speaker: The hon. Member for Wetaskiwin-Camrose.

Mr. Johnson: Mr. Speaker, the Committee of the Whole has had under consideration a certain bill. The committee reports the following bill: Bill 44. I wish to table copies of all amendments considered by the Committee of the Whole on this date for the official records of the Assembly.

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

Hon. Members: Concur.

The Acting Speaker: Opposed? So ordered.

The hon. Government House Leader.

Mr. Zwozdesky: Thank you very much, Mr. Speaker. I think that in view of the hour I would like to move that the Assembly stand adjourned until 1:30 tomorrow afternoon.

[Motion carried; at 10:47 p.m. the Assembly adjourned to Thursday at 1:30 p.m.]