

## Legislative Assembly of Alberta

Title: **Thursday, November 22, 2007** **1:00 p.m.**  
 Date: 07/11/22  
 [The Speaker in the chair]

head: **Prayers**

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

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

Please be seated.

head: **Introduction of Guests**

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

**Mr. Stevens:** Thank you very much, Mr. Speaker. It's my pleasure this afternoon to make an introduction on behalf of the Premier to you and through you to members of the Assembly. I'm advised by the Premier that the group I'm about to introduce, who are grade 6 students from the Win Ferguson school in Fort Saskatchewan, are the very best grade 6 students in the Assembly today. They are accompanied by teachers Rory Larocque-Walker, Kari Archer, and Kelsey Shaw and parent helpers Joanne Burt, Genny Croteau, Paul Kristensen, Jeff Fischer, Bonny Bowes, Janet Wheat, Patrick Wheat, Lisa Spray, Carol Payne, and Patricia Ferguson. I'd ask them to please rise and receive the warm welcome of the Assembly.

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

**Mr. Lougheed:** Thank you, Mr. Speaker. I'm pleased to introduce to you and through you to the members of the Assembly several classes from Wye school and, not to contradict the Deputy Premier, among the best students in the province. The classes are about 64 students, and they're accompanied by Mrs. Carol O'Connell, Mrs. Crystal Wujcik, Miss Heather Whitney, Mrs. Pat Beerwald, Mrs. Eskow, Ms Segura, and Mrs. Lianna Krook. I'd ask them to please rise and receive the traditional warm welcome of the Assembly.

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

**Mr. Agnihotri:** Thank you, Mr. Speaker. It's my great honour to rise and introduce to you and through you to all members of the Assembly a group of 31 students from Meyokumin elementary school in my wonderful riding of Edmonton-Ellerslie accompanied by their teacher, Dr. Wade Pike, and Mr. Stuart Kelm, a student teacher. They are seated I think in the private gallery. I want to thank them for coming to the Legislature. I'd request them to please rise and receive the traditional warm welcome of the Assembly.

Thank you.

**The Speaker:** The hon. Minister of International, Intergovernmental and Aboriginal Relations.

**Mr. Boutilier:** Thank you very much, Mr. Speaker. It's my pleasure to introduce to you and through you to the members of the Assembly four newly elected members of the regional municipality of Wood Buffalo's council. In the gallery this afternoon we have Mila Byron, who is a successful young lawyer in Fort McMurray; Mike Allen, a former chamber of commerce president; Gordon Janvier, who is enjoying the new highway 881 that was built; and David Blair, who lives in the undisputed oldest community in all of Alberta, Fort Chipewyan. I'd ask them all to rise and receive the very warm welcome of this Assembly.

**The Speaker:** The hon. Associate Minister for Capital Planning.

**Mr. Zwozdesky:** Thank you very much, Mr. Speaker. It's indeed a pleasure for me to rise and introduce to you and through you to all members of the Assembly some very special guests who should be in the members' gallery. Perhaps they're behind me in the public gallery, but I'll introduce them in any event. They've travelled a very long way to be here for their first visit to Canada and, obviously, for their first visit to our Legislature. In fact, they've come all the way from India. They are Mr. Naranjan Singh Kainth and his lovely wife, Balwinder Kaur Kainth. They are accompanied by two extra special friends who live in my area, Mr. Parmjit Purba, his beautiful wife, Beant Purba, and their two very well-behaved young children, Harmanjit and Ramanjit Purba. Sat sri akal. [As submitted] I'd ask you to rise and receive the warm welcome of the Assembly, please.

**Mr. Mason:** It's my absolute pleasure to introduce to you and through you to all members of the Assembly Muriel Stanley Venne. Muriel is a Métis woman who was born in Lamont and grew up in the hamlet of Whitford, which was named after her great-uncle Andrew Whitford. She has three sons and a daughter and three grandchildren. Her oldest granddaughter is an RCMP officer in Whitecourt, Mr. Speaker. Muriel is an ally and advocate for the marginalized and particularly for Alberta's aboriginal women. Please join me in welcoming this dedicated, hard-working, and compassionate woman, Muriel Stanley Venne.

Thank you.

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

**Ms Blakeman:** Thank you very much, Mr. Speaker. On behalf of my colleague for Edmonton-Rutherford I would like to introduce Peter Adamski. Peter is a resident of Edmonton-Whitemud, in fact. He has a very keen interest in environmental issues and particularly in global warming. He's come down to see us in question period today. I would ask that Peter please rise and accept the warm welcome of the Assembly.

**The Speaker:** The hon. Member for Lethbridge-West.

**Mr. Dunford:** Thank you, Mr. Speaker. I would like to introduce to you and through you today a couple from Lethbridge in the members' gallery. Donna Bier and her husband are here joining us today. Donna has recently been active in PC politics at the nomination level. I'd like to thank Donna for all of her efforts, and I look forward to working with her in the future. If you would rise, Donna, we'll all give you the warm greeting of the Assembly.

**The Speaker:** The Associate Minister for Capital Planning, did you have a supplementary?

**Mr. Zwozdesky:** Thank you, members, and Mr. Speaker. The guests I introduced from India, the Kainth family and the Purba family, are here now. Sat sri akal. [As submitted] Please rise and receive our warm welcome. Sorry you were a bit late.

head: **Statement by the Speaker**  
**Anniversary of 2004 Election**

**The Speaker:** Hon. members, this is also a momentous day for a large number of members in the Assembly who I'd like to introduce to you. First of all, the hon. Member for Edmonton-Beverly-Clareview three years ago today returned to the Legislative Assembly of Alberta.

Three years ago today, November 22, 2004, the following members were elected to this auspicious Assembly for the first time: the hon. Member for Edmonton-Ellerslie, the hon. Member for Edmonton-Manning, the hon. Member for Edmonton-Decore, the hon. Member for Calgary-Nose Hill, the hon. Member for Calgary-Varsity, the hon. Member for Edmonton-Calder, the hon. Member for Edmonton-McClung, the hon. Member for St. Albert, the hon. Minister of Agriculture and Food, the hon. Member for Cardston-Taber-Warner, the hon. Member for Calgary-Hays, the hon. Minister of Education, the hon. Solicitor General and Minister of Public Security, the hon. Member for Edmonton-Mill Woods, the hon. Member for Edmonton-Rutherford, the hon. Member for Edmonton-Glenora, the hon. Member for Cypress-Medicine Hat, the hon. Minister of Sustainable Resource Development, the hon. Member for Peace River, the hon. Member for Lethbridge-East, the hon. Member for Lacombe-Ponoka, the hon. Member for Calgary-Lougheed, the hon. Member for Leduc-Beaumont-Devon, the hon. Member for Calgary-Mountain View, the hon. Member for Calgary-Currie, the hon. Member for Edmonton-Meadowlark, and the hon. Member for Calgary-Foothills. Three anniversaries for all of these members. May I introduce them to you.

**Mr. Marz:** Point of order, Mr. Speaker. It's rare when such an important date in the history of our Legislature escapes the watchful eye of the Speaker of our Assembly, so it's my privilege to bring to the attention of this Assembly that yesterday was the 28th anniversary of the hon. Member for Barrhead-Morinville-Westlock and Canada's longest serving Speaker. Congratulations, Mr. Speaker. [applause]

**The Speaker:** That was not a point of order.

**Hon. Members:** Speech.

**The Speaker:** Well, we have the Routine, hon. members. We have business to do, and that's what we do. Thank you very much for the acknowledgement.

head: 1:10 **Members' Statements**

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

#### **Restoration of Old Wetaskiwin Courthouse**

**Mr. Johnson:** Thank you, Mr. Speaker. This past Monday was moving day for the Wetaskiwin city council as they took up residence in a 100-year-old courthouse that has been modernized to serve as the new Wetaskiwin city hall. Construction of the original \$80,000 three-storey brick and stone courthouse began in 1907. By January 1908 the courthouse was completed, with the Wetaskiwin district court presiding for the first time on January 21. The judge had 33 cases before him, many of which concentrated on a prominent judicial matter of the day, namely horse stealing.

Mr. Speaker, the design of the courthouse, which was considered a modern Renaissance when it was conceptualized, would demonstrate that its structure would stand the test of time. Recently the courthouse received its centennial status. It was also designated provincially and federally as a registered historic resource.

Modern times, increased needs, and security concerns called for the construction of a new Wetaskiwin courthouse in the mid-80s. This development raised many questions regarding what would be done with the original building. Together through a co-operative partnership the Alberta government, the city of Wetaskiwin, and the private sector proposed a great alternative and this week saw the

reopening of the original courthouse as a newly renovated Wetaskiwin city hall. The old courthouse was transitioned into an innovative building, which will be heated solely by geothermal technology. Next Monday, November 26, councillors will participate in the first meeting within the new council chamber, and I look forward to being there on that special occasion.

The community of Wetaskiwin will now retain all of the historic aspects of the centennial courthouse for Albertans to appreciate while providing a new forum that will allow civic leaders to share ideas for Wetaskiwin's future.

Thank you, Mr. Speaker.

**The Speaker:** The hon. Member for Athabasca-Redwater.

#### **Minister's Awards for Municipal Excellence**

**Mr. Cardinal:** Thank you very much, Mr. Speaker. I rise today to acknowledge the recipients of the 2007 minister's awards for municipal excellence, which recognizes our municipal partners. Municipalities across Alberta are on the leading edge of co-operation and foresight, and it is important that we recognize the great work in providing outstanding services and programs to Albertans at the local level.

The towns of Banff and Cochrane in partnership with the Canadian Rockies public schools created an innovative transportation system between the two communities for low-income earners that takes advantage of empty seats on returning school buses travelling between the communities, earning the municipalities the outstanding achievement award.

Mr. Speaker, Parkland county, the town of Stony Plain, and the city of Spruce Grove collectively earned the excellence for partnership award. These municipalities have partnered with local RCMP to create a drug unit to combat the problem of illicit drugs within the trimunicipal region west of Edmonton.

The city of Calgary took home the innovation award for creating warm mix asphalt technology, which enables asphaltic concrete to be produced and placed at a lower temperature, thereby reducing CO<sub>2</sub> emissions and fossil fuels.

The town of Athabasca in my constituency, Mr. Speaker, also received the smaller municipalities award for creating a heritage management plan to protect and manage the Athabasca historic places.

These awards were presented at an annual fall convention of the Alberta Association of Municipal Districts and Counties, which wraps up today in Edmonton, and again at the Urban Municipalities Association gathering in Calgary next week. Mr. Speaker, recognizing the success of Alberta municipalities is very, very important, and I invite all members to give warm thanks to these municipalities.

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

#### **Royal Society of Canada Fellowships**

**Dr. B. Miller:** Thank you, Mr. Speaker. The Royal Society of Canada was founded on May 25, 1882, modelled on The Royal Society of London and the Institut de France to promote learning and research in all academic disciplines. Since its first meeting in Ottawa in 1882 it has met annually to induct new members who are recognized as exceptional scholars with national and even international reputations. This year the Royal Society met for the first time outside of Ottawa, here in Edmonton. It was an honour for me to attend their induction ceremony last Saturday evening at the Winspear Centre.

What was noteworthy for me was the fact that among the 80 new

fellows elected to the Royal Society, 12 are members of the faculty of the University of Alberta. This is a remarkable achievement. This year's new fellows from the U of A include Sarah Carter, History and Classics; Wiktor Adamowicz, Rural Economy; Timothy Caulfield, Law; Larry Heaman, Earth and Atmospheric Sciences; Philip Halloran, Medicine; Gary Lopaschuk, Pediatrics and Pharmacology; Ronald McElhaney, Biochemistry; Marek Michalak, Biochemistry; Richard Palmer, Biological Sciences; Keir Pearson, Physiology; Diane Taylor, Medical Microbiology and Immunology; Jonathan Schaeffer, Computing Science.

I want to also recognize three other Albertans who were admitted to the Royal Society: Peter Hackett with the Alberta ingenuity fund, Allan Bell from the University of Calgary in Music, and Ian Stirling, Canadian Wildlife Service.

Fifteen Albertans and 12 from the University of Alberta. On behalf of all members of this Legislature we congratulate all of these new fellows of the Royal Society, and we congratulate President Indira Samarasekera and the University of Alberta. The dream of creating the University of Alberta into a world-class university is being fulfilled.

Thank you, Mr. Speaker.

**The Speaker:** The hon. Member for St. Albert

#### School Boards Association Centennial

**Mr. Flaherty:** Thank you, Mr. Speaker. A hundred years is a milestone for any organization. This week the Alberta School Boards Association celebrates a century of proudly serving Albertans as the stewards of their educational system in this province.

A good trustee is an invaluable asset to the community. As local residents they have a unique understanding of particular issues facing their jurisdictions. They have an intimate understanding of their community and as such are in optimal positions to help that wisdom serve the public education system. Because of their unique and valuable perspective, school board trustees were given powers which allowed them to tailor educational arrangements for their area. In 1994, however, with the sweeping reforms made to education, much of the powers originally held by school trustees were taken away. The drastic funding cuts that followed put boards in an impossible situation where the new centralized model made it incredibly difficult for them to cater or adjust their local schools' needs or preferences.

Despite this less than optimal situation trustees have continued to distinguish themselves throughout the past hundred years. People such as Don Massey, John Paterson, Dave Fraser, John Shorter, Joan Trettler, Jacquie Hansen, and Lois Hole are but a few of the shining examples of admirable community-minded individuals who have championed our children's education. As with these individuals, a good trustee will hold that single factor as their guiding principle, objectively seeking out what is best for the children of Alberta, clear of any interfering politics.

On this the ASBA's 100th anniversary I wish to not only praise the efforts of schools boards but also raise a little bit of caution. With this latest agreement over teachers' pensions reached without the participation of boards, school boards are yet again faced with new challenges. It would be an incredible loss to our educational system if we were to see school boards' powers diminished even further, Mr. Speaker. Let's make sure that government supports school boards rather than hurting their ability to support children in Alberta.

Thank you very much.

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

#### 90th Anniversary of 4-H

**Mr. Prins:** Thank you. I rise today to recognize and bring attention to the 90th anniversary of 4-H in Alberta, which happened on November 17. Mr. Speaker, 4-H is the longest running youth organization in our province, shaping the lives of youth and adults for 90 years; 4-H members and leaders have gone on to be successful and accomplished members of society. I've been a member of 4-H, and I'm sure that in the last 90 years 4-H has touched many lives in one way or another, and we can all be part of the celebrations, slated to last for the entire year.

This is an organization that brings the whole family together because 4-H clubs rely on family support and volunteer leadership from adults and other 4-H members. By following the 4-H motto, Learn to Do by Doing, members take part in activities that meet their interests, increase their knowledge, and develop their life skills. Whether 4-H members are creating and displaying projects or taking part in summer camp experiences of canoeing and campfires, they build lifelong friendships with people from all over the province while developing valuable skills. Members acquire an understanding of livestock production and horse management by owning, caring for, showing, and marketing animals and maintaining records. They learn about pets, poultry, crops, even bees. They learn about running a business, preparing food, computer skills, performing arts, photography, veterinary science, and more, and all the while they are making lifelong friends and gaining leadership skills that will take them through their careers and beyond.

Our youth want to be involved, accepted, valued, and heard. In 4-H they run the show.

I wish to acknowledge the work that Alberta's 4-H has done for 90 years and continues to do: encouraging young people of all ages to take on leadership roles, make decisions, plan events, and participate in activities within their communities.

Thank you very much, Mr. Speaker.

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

1:20

#### Muriel Stanley Venne

**Mr. Mason:** Thank you very much, Mr. Speaker. Throughout her life Muriel Stanley Venne has been speaking out for social justice and the rights of aboriginal women. She is the founder and president of the Institute for the Advancement of Aboriginal Women. She's been in the news many times calling attention to the plight of aboriginal women who are missing or slain and demanding action.

Muriel's service includes being chair of the commission on human rights, organizer of the Gathering Our Strength conference on violence against aboriginal women, a former board member of the National Aboriginal Achievement Foundation, and founder of the Esquao awards. She helped spearhead The Rights Path, Alberta, a publication that received international praise and was endorsed by Mary Robinson, the United Nations High Commissioner for Human Rights.

Muriel's awards include the Alberta human rights award, aboriginal role model lifetime achievement award, the national aboriginal achievement award for justice and human rights, the Hon. Lois E. Hole award for lifetime achievement, and the Governor General's award in commemoration of the Persons Case. Her Excellency the Rt. Hon. Michaëlle Jean said: your work is an inspiration to women throughout the country, and the award is an honour you well deserve. Muriel is also a Member of the Order of Canada. On November 7 Muriel's work was saluted by Canada's ambassador to the United Nations at the General Assembly, and I

quote: for over 30 years she has been a leader in Canada's aboriginal communities, working to fight racism and address the obstacles to equality for aboriginal women, children, and family.

In addition, Mr. Speaker, she has been very involved in politics and in the Alberta NDP and was a candidate for our party on four separate occasions.

Please join me in recognizing the awards, the work, and the person Muriel Stanley Venne.

**The Speaker:** Hon. members, before we move on, I inadvertently failed to recognize an hon. member who wanted to do an introduction of guests. Might we revert briefly to Introduction of Guests?

[Unanimous consent granted]

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

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

**Dr. Morton:** Thank you, Mr. Speaker. I'm very pleased to introduce to you and through you to the members of this Assembly four constituents from the beautiful MD of Rocky View: two newly elected councillors, Hopeton Loudon and Mitch Yurchak, and our vice-reeve, Greg Boehlke, and his lovely wife, Lynn. Could you please rise and receive the warm welcome of this Assembly.

head: **Presenting Petitions**

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

**Mr. Oberle:** Thank you, Mr. Speaker. I rise today to table a petition from a number of people across northwestern Alberta. They are objecting to the construction of a nuclear power facility at this time and urge the government to initiate consultation with Albertans.

Thank you, Mr. Speaker.

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

**Mr. Elsalhy:** Thank you very much, Mr. Speaker. Today is National Housing Day, and I am continuing to table a petition, this time signed by 50 concerned Albertans from mostly Edmonton, Lethbridge, Athabasca, and Leduc. The petition reads:

Whereas the ongoing rent affordability crisis is contributing to Alberta's worsening homelessness situation, we, the undersigned residents of Alberta, hereby petition the Legislative Assembly to urge the Government of Alberta to take immediate, meaningful measures to help low-income and fixed-income Albertans, Albertans with disabilities and those who are hard-to-house maintain their places of residence and cope with the escalating and frequent increases in their monthly rental costs.

Thank you.

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

**Ms Blakeman:** Thank you very much, Mr. Speaker. I'd like to present a petition signed by 251 individuals primarily from Edmonton. They are urging the government to ensure that remuneration paid to employees working with persons with disabilities is standardized, that they are fairly compensated and wages remain competitive, that they have improved access to professional development opportunities, and urging the government to introduce province-wide service and outcomes-focused level of care standards.

Thank you.

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

**Mr. MacDonald:** Thank you very much, Mr. Speaker. I have a petition today, and it reads: we the undersigned residents of Alberta petition the Legislative Assembly to urge the government of Alberta to launch a full public inquiry under the authority of the Public Inquiries Act into spying practices by the Alberta Energy and Utilities Board and the Minister of Energy's oversight role of the AEUB. This petition is signed by citizens from Edmonton, Daysland, Galahad, Alliance, and Bawlf.

Thank you.

head: **Introduction of Bills**

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

**Bill 52**  
**Corrections Amendment Act, 2007**

**Mr. Johnston:** Thank you, Mr. Speaker. I request leave to introduce Bill 52, the Corrections Amendment Act, 2007.

These amendments to the Corrections Act will provide for safer facilities and communities, support victims by providing greater access to information about offenders, and enhance inmate disciplinary procedures. The bill will allow for electronic monitoring or recording of inmate phone calls to enhance safety within the correctional facility and in the community. It will also give victims more information about an offender convicted of a crime against them, including the inmate's date of release and conditions of that release that relate to the victim, and ensure that inmates subject to discipline are dealt with by an independent hearing and appeal adjudicators.

Thank you, Mr. Speaker.

[Motion carried; Bill 52 read a first time]

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

**Mr. Hancock:** Thank you, Mr. Speaker. I'd move that Bill 52 be moved onto the Order Paper under Government Bills and Orders.

[Motion carried]

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

**Bill 54**  
**County of Westlock Water Authorization Act**

**Mr. Renner:** Thank you, Mr. Speaker. I request leave to introduce a bill being Bill 54, the County of Westlock Water Authorization Act.

This bill will facilitate the delivery of treated municipal water within the county of Westlock and, recognizing that the county straddles two water basins, provide for the appropriate legislative approval for interbasin transfers of that water.

[Motion carried; Bill 54 read a first time]

**The Speaker:** The hon. Member for Drumheller-Stettler.

**Bill 55**  
**East Central Regional Water Authorization Act**

**Mr. Hayden:** Thank you, Mr. Speaker. I request leave to introduce Bill 55, the East Central Regional Water Authorization Act.

Mr. Speaker, this bill will ensure a safe and secure water supply for Albertans living in east-central Alberta communities. These communities have been impacted by drought and increased growth, and this bill will provide these communities with access to piped potable water.

Thank you.

[Motion carried; Bill 55 read a first time]

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

**Mr. Hancock:** Thank you, Mr. Speaker. I'd move that Bill 55 be moved onto the Order Paper under Government Bills and Orders.

[Motion carried]

head: **Tabling Returns and Reports**

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

**Ms Blakeman:** Thank you very much, Mr. Speaker. I'd like to table letters from my constituents Bill Elson, David Verklund, Iris Verklund, Mrs. D. Hewitt, Fred Baker, Aaron Stalder, and Gerry Riva-Cambrin. All of them are concerned about Alberta's labour laws, suggesting five changes, but today I will highlight their wish to have full legal recognition of bargaining rights for public employees, including the right to strike combined with reasonable essential services legislation.

Thank you.

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

**Mr. Martin:** Thank you, Mr. Speaker. I would like to table the appropriate number of copies of letters I have received from 200 of my constituents calling for changes to Alberta's labour laws. The letters express strong support for such changes as first contract arbitration, full legal recognition of bargaining rights for public employees, and one labour law for all unionized workers, among other issues.

Thank you.

head: **1:30 Oral Question Period**

**The Speaker:** First Official Opposition main question. The hon. Member for Edmonton-McClung.

#### Use of Private Investigators by EUB

**Mr. Elsalhy:** Thank you very much, Mr. Speaker. On May 9, 2007, the EUB's security team leader, Ray Ambler, sent an e-mail to the RCMP and the PI company hired, outlining the details of the covert operation that was to take place in Rimbey. Referencing the attachment the e-mail states, "The Sheriffs department has been provided this document under separate cover and at an earlier date." To the Solicitor General. The sheriffs knew what was happening before May 9. They knew about these repulsive tactics long before they happened. When did the Solicitor General himself know that the citizens of this province were going to be spied on, and was it he who alerted the Premier?

**The Speaker:** The hon. Minister of Public Security and Solicitor General.

**Mr. Lindsay:** Well, thank you very much, Mr. Speaker. First of all,

let me say that our sheriffs' branch is certainly aware that the EUB intended on using some private investigators for security purposes. That's my understanding of it. Unless the hon. member has further evidence, that's the extent of what we're aware of.

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

**Mr. Elsalhy:** Thank you, Mr. Speaker. Again to the Solicitor General. As Alberta's Minister of Public Security – and please underline public – what role did the Solicitor General and his sheriffs' department play in planning and executing this spy operation? The minister knew about it. The sheriffs knew about it. They allowed it to happen, and they took part.

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

**Mr. Lindsay:** Well, thank you, Mr. Speaker. Again, the hon. member talks about knowledge and a spy operation. As I indicated before, we are aware that due to concerns for public safety the EUB had hired the services of private investigators, and that's the extent of it.

**Mr. Elsalhy:** Those private investigators, Mr. Speaker, were not at the courthouse; they were at the community centre.

To the Minister of Justice, who is also the Deputy Premier. The Premier and the Minister of Energy knew about this spying plan and initially defended it as something that is not a big deal. Now we find out that the Solicitor General and his sheriffs were at least notified, not involved, and that the RCMP was at least notified. When exactly was the Minister of Justice himself made aware of this repulsive scheme to spy on unsuspecting Albertans?

**Mr. Stevens:** Well, Mr. Speaker, I think I can safely say that my knowledge of this matter appeared at the same time as others, when they read the newspaper accounts.

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

**Mr. MacDonald:** Thank you very much, Mr. Speaker. In Rimbey this pathetic government allowed a public body to hire private detectives to spy on the very citizens it is mandated to serve. Three board members from the public body have suddenly, mysteriously retired all at once. They took one for this tired old Tory team. Meanwhile, there is an e-mail trail from the EUB to this government regarding this covert spy plan. My first question is to the Minister of Energy. Will the minister follow the example set by the board members and retire immediately?

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

**Mr. Knight:** Mr. Speaker, that would be an emphatic no.

**Mr. MacDonald:** Again, Mr. Speaker, to the same minister. This spy scandal occurred under your leadership. Why will you not resign and accept full responsibility for this dismal action?

**Mr. Knight:** Mr. Speaker, first of all, as the hon. member knows, the EUB and the previous ERCB and other regulators have operated in the province of Alberta, I think, since 1938 or something in that sort of neighbourhood. I was responsible for the EUB from about the 15th of December last to the present day, and I can tell you that anybody that would want to spend the time to see what I've done

from that point to this point would understand that I am working in the best interests of Albertans on this issue, and on a go-forward basis I continue to do that.

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

**Mr. MacDonald:** Thank you, Mr. Speaker. Again to the Minister of Energy. This is the minister's accountability statement from his own annual report, which he signs off on, and he should accept full responsibility for his actions. Again, in light of the fact that your department and you made a poor judgment in initially supporting the EUB's covert spying operation, will you do the right thing and resign, and resign now?

**Mr. Knight:** Mr. Speaker, again, you know, here we go chasing things from the past. They live in the past. I've addressed this situation. I think the hiring of a new chair of the EUB and the work that's been done in the interim speaks volumes with respect to what this government is doing with respect to making this issue completely transparent for Albertans, and the actions that we've taken I stand by.

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

#### Regional Municipal Planning

**Mr. Bonko:** Thank you, Mr. Speaker. Municipal leaders from the capital region will be presented with a plan today on regional planning. However, already some members of the region are criticizing the plan as being unfair to them. This reality is, unfortunately, that the city of Edmonton shoulders the infrastructure costs for the entire region and has a population base far in excess of the others combined. To the associate minister of housing and urban development: do you support the idea that the decision-making for the regional government structure should be weighted on proportion of population?

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

**Mrs. Fritz:** Thank you, Mr. Speaker. This is a technical question. As you know, the Minister of Municipal Affairs and Housing is responsible for the regional planning, especially in the capital region, which I understand has been going well. I'll take that under advisement for the minister.

**Mr. Bonko:** Yeah, there will probably be a lot of advisement today. The municipal sustainability initiative was weighted towards communities with heavy industrial bases. For the capital region this means that as upgraders are built and many more people move into the region, Edmonton will bear most of the support costs; however, they will receive zero tax dollars from the massive upgraders to help pay for the support services. Those dollars will stay in the rural counties, with a fraction of the population and cost. To the same minister. The MSI funding arrangement was unfair to Edmonton and benefited counties with heavy industrial bases. If the new model for the regional planning addresses this inequity, will you support this and ensure that regional counties pay their fair share for the growth costs?

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

**Mrs. Fritz:** Thank you, Mr. Speaker. I understand that this morning

the mayor of Edmonton, Stephen Mandel, in his speech for National Housing Day was very supportive of the municipal sustainability initiative. I know the weighting is done by population and assessment, and I'd refer this question to our President of the Treasury Board.

**Mr. Bonko:** Rural counties surrounding Edmonton believe that the regional planning model will take away from the rural power. The mayors of Strathcona and Sturgeon counties have already stated that they oppose any sharing of revenues, any regional model that affects their autonomy. Apparently, they do not care to co-operate for the good of the entire capital region. They will no doubt put political pressure on their MLAs. To the same minister. We already know that certain members of cabinet have been a barrier to this process. Will you stand up to those mayors and any members of cabinet who try and stall the implementation of the Radke regional planning model?

**Mr. Snelgrove:** Mr. Speaker, it's a shame that the hon. member would present the response to a report that they haven't got yet as already wrong. What this Premier has done is made it very clear to Alberta that he is someone who does the right thing, not the easy thing. No one ever said that to bring the capital region together was going to be easy, and no one ever said that everyone would agree to all the things, but this Premier has tackled a job that has troubled this region for decades. From his past record this year you can be assured that it will be dealt with fairly, and it will be done completely. All sides will be included, involved, and the right thing will result from it.

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

#### Use of Private Investigators by EUB (continued)

**Mr. Mason:** Thank you very much, Mr. Speaker. The government would have us believe that three board members implicated in the EUB spying scandal coincidentally retired on the same day. Albertans can smell a rat here. They know that these board members were fired for their role in the scandal. The Perras report, which purported to look into this matter, was a whitewash. Justice Perras didn't even investigate anyone higher than the director of security even though the NDP opposition produced documents which proved board members and officials knew all about the spying. My question is to the Deputy Premier. Will you commit to a complete public inquiry into this matter which looks into the role of all officials, including the Minister of Energy?

**Mr. Stevens:** Mr. Speaker, the hon. member of the third party is doing what he does so well, and that is criticizing people who are not here to stand up for themselves. Justice Perras was given an assignment. He's a well-respected former member of the judiciary. He came out with a report that clearly this hon. member does not like the results of, but the fact of the matter is that he's an honourable person who did what he was asked to do. He produced a report that, unfortunately, he doesn't like but which was of assistance to us.

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

**Mr. Mason:** Thank you very much, Mr. Speaker. What he was asked to do was to whitewash this matter and protect the government.

Mr. Speaker, the people of Alberta are demanding to know the full

truth in this matter. These so-called retirements point to nothing else but a blatant cover-up, yet other officials at the EUB, including the director of communications, the legal counsel, and other top officials, were copied on e-mails in which the board's intention to spy were made clear. This is to the Minister of Energy. When will you end this cover-up and call a full public inquiry?

**1:40**

**Mr. Knight:** Mr. Speaker, again, you know, the question is phrased a bit differently this time, but nevertheless it's the same question, and I'll have the same answer for it. I've been responsible for the EUB from December 15 or 16 in 2006. Anybody that would want to take the time to have a look at what I've done with respect to the EUB from that point till today would be very welcome to do so. I can stand here and tell the people of the province of Alberta that I believe that we're moving in the right direction.

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

**Mr. Mason:** Thank you very much, Mr. Speaker. Another thing that the so-called investigation by Justice Perras failed to investigate was what role the Minister of Energy and senior energy department officials had in this affair, so I'll offer the minister a chance to clear the air. Mr. Minister, what did you know about the plans to spy on Albertans by the EUB, and when did you know it?

**Mr. Knight:** Well, again, Mr. Speaker, you know, questions loaded with innuendo. I think that it would serve Albertans very well to understand that the EUB is a quasi-judicial board, very similar to a courtroom setting and very similar to a provincial judge. I would no more go and influence the hearings that the EUB are carrying on for Albertans than I would attempt to change the decisions of a judge in the province of Alberta. That, in frank words, is the answer.

**The Speaker:** The hon. Member for Battle River-Wainwright, followed by the hon. Member for Edmonton-Gold Bar.

### Water Management

**Mr. Griffiths:** Thank you, Mr. Speaker. My grandpa was a wise man, and I learned as much as I could from him while he was alive. He always had a unique way of telling me things that made them stick. He once told me that we often count things as being more important than they actually are. When you think about what is important, he said: remember, you can go for three minutes without air, three days without water, and three weeks without food. Water is critical. To the Minister of Environment: what are you and your department doing to oversee the wise use of our water resources?

**Mr. Renner:** Mr. Speaker, the member is absolutely correct that we have a resource that, we are increasingly learning, is a limited resource. As we have increased growth pressures, that puts increased pressure on our water. That's why the government recognized a number of years ago that it's important that we have an adequate plan to ensure the proper use of that water, the proper planning for that water. We developed something that is world renowned, and that's the Water for Life strategy, that, frankly, is seen as the leading-edge way of dealing with water.

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

**Mr. Griffiths:** Thank you, Mr. Speaker. A lot of water flows down our rivers. The Battle River, flowing through my constituency, is the only nonglacial-fed river in the province and, as such, is subject

to incredible highs and lows in water flow, which has great impact on the economics of the region. There's not a shortage of water on the river; there's a shortage of water management. My first supplemental to the same minister: what is the government doing to ensure that all watersheds, not just the South Saskatchewan River basin, remain healthy?

**Mr. Renner:** Mr. Speaker, the South Saskatchewan River basin is the one river basin that is under the greatest amount of pressure, and that's the reason we've been concentrating on that area first. But one shouldn't assume from that that that is the only basin that we're concentrating on. Frankly, plans are currently under way to establish similar kinds of regimes on the North Saskatchewan and the Bow River, and we're also beginning discussion for similar kinds of local decision-making and local input on both the Athabasca and Peace. WPACs, the watershed planning and advisory councils, worked extremely well. This government not only supports the concept of WPACs but supports them financially to the tune of about \$2 million in this budget.

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

**Mr. Griffiths:** Thank you, Mr. Speaker. Nothing happens without water. You can't ensure ag production without water. You can't do value-added growth, manufacturing, or tourism without water. Indeed, you can't even grow the size of your town without it being able to supply the new homes with water. What is your department doing, Minister, to ensure some balance between the ever-expanding demands and competing interests on our water and water supply sources?

**Mr. Renner:** Well, Mr. Speaker, one thing is certain when it comes to water, and that is that one size does not fit all. That's why we're so proud of the work that we have under way with the WPACs, currently eight WPACs in different regions throughout the province, expanding beyond that very shortly. In addition to that we have in excess of 100 watershed steward groups that are involved with decision-making on a local level.

Mr. Speaker, nothing works better to deal with planning and issues than dealing with them at the local level. However – and it's a big however – at the end of the day if the local groups are not able to come up with the kinds of decisions that are required, the buck stops here, and the government will ensure that those decisions are made.

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

### Oil Sands Royalty Structure

**Mr. MacDonald:** Thank you, Mr. Speaker. The Auditor General, the expert Royalty Review Panel, and the Department of Energy's own reports confirm that Alberta's royalty system for oil sands was a give-it-away policy. My first question is to the Minister of Energy. When it comes to our oil sands royalty system, why did the government simply have this give-it-away policy for the last seven years?

**Mr. Knight:** Mr. Speaker, again, I'll repeat this until it comes, you know, quite clear to certain individuals in the House. My responsibility with respect to this issue also started in December last year. I will say another thing. One of the very first things the Premier did was call for a public royalty review. He indicated that that royalty review would be placed in front of Albertans when he received it.

That's exactly what he did. We're moving forward on this issue and many others.

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

**Mr. MacDonald:** Thank you very much, Mr. Speaker. I'm quoting from a speech by the former Minister of Energy, Murray Smith. This speech was delivered on October 16, 2006, in Austin, Texas. "The model that has worked so well for us is that the royalty structure for oil sands is we 'give it away' at a 1 per cent royalty structure." To the Minister of Energy: why is Murray Smith bragging that the government's royalty policy on oil sands is to give it away, when Albertans are told by your government that our policies collect a fair share? Why is that?

**Mr. Knight:** Well, Mr. Speaker, first of all, I would have to suggest that whatever some former individual may or may not have said in Houston, Texas, is not really something that I need to concern myself with today. What I'm concerned with is the policy of the government, and the policy of the government has been and will continue to be that what we will do is get the best benefit for Albertans from their resources. The policy that was in place prior to the time that we've done the new royalty framework did exactly that. I've alluded to the numbers of billions and billions of dollars that have benefited Albertans with the result of this resource and other resources. We will continue to move forward.

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

**Mr. MacDonald:** Thank you, Mr. Speaker. The Minister of Energy should know what Murray Smith is saying because he has got your top patronage job in Washington.

Now, I'll ask a question of the Minister of International, Intergovernmental and Aboriginal Relations. He seems so anxious to get on his feet. Will the Member for Calgary-Mackay be promoting Alberta's royalty policies as a give-it-away royalty system when he goes to Washington? Is this the government of Alberta's real policy, this give-it-away policy?

**Mr. Boutilier:** Mr. Speaker, under our new Premier and this new administration it is about striking the right balance for all Albertans. Further to that, I remind the hon. member of when this government in future forwarding had a bridge to nowhere. We had \$50 million we spent on infrastructure, preparing for where we are today. At the time we had no homes built. Streets paved and fire hydrants but no homes on them. The fiscal regime was the right economic policy to get to this point today, unlike the Liberals, who have a policy on the fly.

### Carbon Dioxide Capture and Sequestration

**Dr. Brown:** Mr. Speaker, last Saturday the Nobel prize-winning Intergovernmental Panel on Climate Change issued its synthesis report, which analyzes the probable impacts of increasing greenhouse gases on nations, including our own. Although conservation measures and switching to alternative energy sources may have some effect on reducing the release of greenhouse gases, Albertans are going to continue to rely on fossil fuels for the majority of their energy needs in the foreseeable future, and any meaningful reductions in carbon dioxide emissions will necessitate capture and storage of those gases. My question is for the hon. Minister of Environment. What is the government doing to move ahead with projects to capture carbon dioxide here in Alberta?

1:50

**Mr. Renner:** Well, Mr. Speaker, the member makes a very valid observation, that increasingly the technology related to managing CO<sub>2</sub> is looking to be a very significant contributor into dealing with climate change related issues into the future. The government of Alberta will be very much part of working on various projects with respect to CO<sub>2</sub> capture and sequestration. There was recently, for example, funding through the Alberta Energy Research Institute, AACI, and Alberta Employment, Immigration and Industry to do a feasibility study into the development of a pipeline from the Industrial Heartland.

**Dr. Brown:** Mr. Speaker, to the same minister: can you tell the House why this particular project in the Industrial Heartland would be a project to pursue?

**Mr. Renner:** Well, Mr. Speaker, there are a number of reasons. There are a number of alternatives that can be used for CO<sub>2</sub>. One, of course, is enhanced oil and gas recovery, the sequestration of CO<sub>2</sub> that actually increases the production from existing oil fields. The other is the pure sequestration for the purpose of eliminating CO<sub>2</sub>. In order to do any of those, you need to have a source of CO<sub>2</sub>, and you need to have availability. By having the cluster of industrial development within the heartland, it makes a perfect combination of supply and opportunity to sequester.

**Dr. Brown:** Mr. Speaker, my further supplemental question is to the same minister. How do Albertans know that investing in carbon capture and storage would be a worthwhile step to tackling greenhouse gases?

**Mr. Renner:** Well, Mr. Speaker, this isn't something that has been dreamt up by Alberta Environment. This technology has been proven for a number of years. We just need to ensure that it can be scaled up to the kinds of developments that we have in this province. I can give examples of carbon sequestration already under way in Australia, United Kingdom, Germany, the United States. There are 30 years' experience in enhanced oil and gas recovery. Then there are other ways that I think Albertans should be aware of the recognition of this. Even our own Pembina Institute here in Alberta has pointed out the need for carbon capture and sequestration to deal with climate change.

**The Speaker:** The hon. Member for Edmonton-Glenora, followed by the hon. Member for Lesser Slave Lake.

### Affordable Housing

**Dr. B. Miller:** Thank you, Mr. Speaker. Today is National Housing Day, a day to raise awareness about the housing crisis that exists across the country and especially in this province. As a member of the Affordable Housing Task Force I was deeply moved by the stories of despair from so many people who cannot afford a place to live. We desperately need affordable housing. My questions are for the Associate Minister of Affordable Housing and Urban Development. The task force estimated that delivering a minimum of 12,000 additional units over five years will cost \$480 million a year. How can this government build the affordable housing we need by spending less than half of that amount of money? What are you going to build? RVs? Tent trailers?

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

**Mrs. Fritz:** Well, thank you, Mr. Speaker. Yes, today is National Housing Day. I'd like to begin by thanking the people in the



communities that are working so hard. There are thousands of people in this province that are working hard in providing affordable housing to low-income individuals and people in need. In answer to the question, this member knows that we have had \$285 million that was dedicated just six months ago to the issue of affordable housing, and \$195 million of that was for 11,000 housing units to be built over the next five years. That began this year alone.

I went on the website for this individual, and I notice that the plan he . . . [Mrs. Fritz's speaking time expired] I'll comment further.

**Dr. B. Miller:** Well, Mr. Speaker, we hear that amount, \$285 million, again and again. But it's not impressive because these are the facts: in 1986 this government invested the same amount of money in affordable housing – 1986 – with half of today's budget. So how can you say, Mrs. Minister, that you are really serious about solving the affordable housing crisis?

**Mrs. Fritz:** Well, Mr. Speaker, how can this individual say that? It's remarkable to me. As I was going to say, on your website you're calling for a thousand less units than this province is building in the next five years: 10,000 units, and we're building 11,000. To further back that up, yesterday in this House the Minister of Municipal Affairs and Housing announced \$60 million for projects, one in your own riding, in Barrhead, Mr. Speaker. Excellent project, the community worked very hard. Sixteen communities are participating in that. So we are doing some significant good work.

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

**Dr. B. Miller:** Thank you, Mr. Speaker. If this government is really serious about eliminating homelessness in 10 years, will this government look at the task force's housing-first perspective? It is not enough just to provide shelter space. We desperately need transitional housing with wraparound services so people can move beyond the shelter, through the housing continuum towards independence and self-reliance. To the same minister: are you committed to funding these necessary services? If you don't, there will be a reverse flow through the housing continuum into more and more homelessness.

**Mrs. Fritz:** Well, Mr. Speaker, as I've said to you in this House previously – in the last two weeks I think it's been a few times we've addressed this issue, and we know that Housing first is a model that we as a government are following. We're currently doing that today. We have \$16 million in outreach projects given to the municipalities and the communities and agencies, and it is housing first that they're providing. I mentioned one project here alone, and that was the hospital discharge project in Calgary, where 50 chronically homeless individuals who've accessed emergency are being met by a seven-member professional team of physicians, nurses, and they are being provided with housing first rather than being discharged back to their shelters.

**The Speaker:** The hon. Member for Lesser Slave Lake, followed by the hon. Member for Edmonton-Mill Woods.

### Air Quality

**Ms Calahasen:** Well, thank you, Mr. Speaker. My constituency has been blessed to be a hub for oil and gas activity. However, the recent releases of sour gas across the province have all Albertans concerned about the quality of their air. My question is to the Minister of Environment. What is it that you're doing to ensure that we protect all Albertans, even my constituents, about the quality of their air?

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

**Mr. Renner:** Thank you, Mr. Speaker. Well, the member is quite right. The recent occurrences with respect to sour gas have certainly highlighted in the minds of Albertans the importance of air quality. But I have to point out that sour gas is something that is dealt with in an emergent way. We have the highest standards in Alberta with respect to regulations surrounding sour gas. The fact that we dealt with these releases and have in place the necessary plans is, I think, a compliment. But the greater question is: how do we maintain air quality, generally speaking? That really falls into the announcement that I made a while ago with respect to cumulative effects. How do we regulate airsheds within the region and keep them clean?

**Ms Calahasen:** Well, Mr. Speaker, it's almost been two months since the government announced the cumulative effects management framework, so my question to the same minister is: what programs and what progress has been made in regard to implementing this framework?

**Mr. Renner:** Mr. Speaker, there's been a significant amount of progress on this framework. As an example, we've been seeking public input over the last period of time. We've had some targeted stakeholder group meetings. Just today I've announced the establishment of an airshed working group who will build a system that will allocate, monitor, and evaluate airshed targets. This group represents industry, environmental groups, municipalities, and, of course, representatives from the government. I have to emphasize that if this group can't agree on the system that we use on a go-forward basis, then, obviously, the government will be responsible for making a balanced decision at the end of the day.

**Ms Calahasen:** Then, Mr. Speaker, to the same minister: if this working group is only just getting together now, when can we expect the airshed targets to come into effect? It's only beginning now, so I and my constituents would like to know: when is this going to come into effect?

2:00

**Mr. Renner:** Well, Mr. Speaker, I'm expecting an initial report from this group as early as December of this year, but the targets themselves come into effect on January 1 of 2009, so we have in that interim period of time necessary opportunities to ensure that the system that we put in place in fact works to protect the environment and allow industry to continue to grow and also that we have an ongoing review of these programs. Every five years we'll take account of how well the plan is working and make necessary adjustments along the way.

**The Speaker:** The hon. Member for Edmonton-Mill Woods, followed by the hon. Member for Edmonton-Calder.

### Women's Shelters

**Mrs. Mather:** Thank you, Mr. Speaker. The lack of affordable housing in this province has been especially harmful for women attempting to flee abusive relationships. Alberta now leads in domestic assault, homicide/suicide, and stalking and is second in domestic homicide. As the Alberta Council of Women's Shelters states: the impact of these realities on Alberta's families is enormous, and the infrastructure is simply not in place to the extent that it is needed to provide immediate and effective interventions. To the associate minister of housing: why isn't there a provision specifically for women who are victims of domestic violence included in the housing plan?

**The Speaker:** The associate minister of affordable housing.

**Mrs. Fritz:** Thank you, Mr. Speaker. I will take that question under advisement because we do not have the secretariat membership advertised as yet. I'm assuming that's what you mean, in regard to the secretariat, so I will take that under advisement and look toward that.

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

**Mrs. Mather:** Thank you, Mr. Speaker. In 2006 the Alberta Council of Women's Shelters reported the following aggregate information for all 41 shelters: the number of women forced to return to abusive situations due to a lack of affordable housing in Alberta has increased by over 300 per cent. To the associate minister: what, if anything, will be done to provide immediate affordable housing to these women and ultimately prevent unnecessary tragedies?

**Mrs. Fritz:** Well, Mr. Speaker, this is a very serious question as it relates to women's shelters. I know that the Minister of Children's Services has told the House in the past that the budget had increased from \$15 million to \$22 million in '07-08 for women's shelters, but for the emergent needs, which are the critical needs, women can be assisted. We must let women know this as well, about the good programs that we have, that our direct rent supplement programs combined are \$33 million to \$50 million. A thousand apartments this year in Calgary, for example, were made available through the Calgary Apartment Association, which we're assisting with the first month's rent and the damage deposit.

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

**Mrs. Mather:** Thank you, Mr. Speaker. The victims of crime fund consistently runs surpluses of millions of dollars, currently sitting at \$18 million and growing every year. To the Solicitor General: why are these funds not used to fund women's shelters or sexual assault centres?

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

**Mr. Lindsay:** Well, thank you, Mr. Speaker. As the hon. member noted, we do at this point in time have a surplus of funds in the victims of crime fund, and those funds are used to assist people who are victimized by crime. We look at all different aspects of ensuring that the money gets out to those people who need it.

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

#### Logging in Kananaskis Country

**Mr. Eggen:** Well, thanks, Mr. Speaker. So the Minister of Sustainable Resource Development gets his way, and the trees are falling as we speak in the Siballd district of the Kananaskis Country, just west of Calgary. Despite more than a thousand letters and more than 1,200 petitioners a beautiful woodland in Calgary's backyard goes down, and an essential watershed for more than a million people is endangered. To the Minister of Sustainable Resource Development: will the minister listen to his constituents and Albertans in general and protect this area and Calgary's water supply?

**Dr. Morton:** Mr. Speaker, as I've explained to the hon. member across the way numerous times, Sustainable Resource Development has not one but two hydrologists on our staff. Any forestry management agreement, any detailed forestry management plan, particularly

this one because it's upstream from a big urban centre like Calgary, has detailed water studies and water modelling. We've met with the city of Calgary. If you'd read the article carefully, hon. member, you would have seen that the city of Calgary is satisfied with how we're proceeding with respect to the water issue.

**Mr. Eggen:** Well, Mr. Speaker, I beg to differ because certainly there are thousands of people who are not happy with this thing. There is a city of more than 1 million people only minutes away from this logging site. Calgarians are proud to consider K Country as part of their own backyard, and I don't think they appreciate having the watershed for the Elbow River compromised by some half-baked notion of this minister's right to log with imprudence. So I'd ask the minister again: what is the backup plan that he has, then, for Calgary's water supply should the Elbow River be compromised because of this shortsighted logging plan?

**Dr. Morton:** Mr. Speaker, I'm quite certain that some of my friends on this side would ante up for a one-way ticket for the hon. member to take a trip over to British Columbia. We could send him across the way, and he could see what happens when the let-nature-take-its-way group has their way. That's what they said 10 years ago in British Columbia: let nature take its way. They've lost hundreds of thousands of hectares of land. There are going to be children born in British Columbia now that won't see a healthy pine forest for 40 years. That's what we're not going to allow to happen in this province.

**Mr. Eggen:** Mr. Speaker, I find that the logic of connecting this pine beetle crisis and logging the Kananaskis Country is absolutely ridiculous. It comes from some sort of Paul Bunyan idea of logging as opposed to forest management. Albertans were not consulted in this forestry management plan. The plan was hashed out between the Tories and their big-business buddies, and then the public was brought in. Bought and paid: that's what we hear. So the minister should have some inkling that the people in his region do not approve of this logging adventure, and it's taking place right in his constituency. Why is the minister alienating his own constituents and the city of Calgary by allowing the destruction of this important watershed?

**Dr. Morton:** Mr. Speaker, the logging company involved here, Spray Lake Sawmills, is hardly big business. It's a family-owned business. It's been logging in the Kananaskis and the eastern slopes since 1946. Many of the recreational trails that we use right now are the result of this logging. Perhaps you've been on the Forestry Trunk Road. The Forestry Trunk Road would be a result of that. I'm sure I could collect another little money from this side to send the hon. member on another trip, over to southern British Columbia, down to Radium to take a look at the Kootenay River Valley, burned out for about 40 kilometres. That's what comes after the pine beetle. If you want to see a half-baked idea, that's the half-baked idea.

**The Speaker:** The hon. Member for Red Deer-North, followed by the hon. Member for Calgary-Elbow.

#### Bullying

**Mrs. Jablonski:** Thank you. Mr. Speaker, bullying is unacceptable any time and anywhere. This week is national bullying prevention week, and we've seen a number of stories about bullying in our schools and communities. Most alarmingly, bullying seems to have moved out of our schools and into cyberspace, with online bullying becoming a significant problem. Children and teachers are being

targeted each and every day by people under the cover of the Internet. My first question is to the Minister of Education. According to the Media Awareness Network 34 per cent of students in grades 7 to 11 report they have been bullied within this current school year. Among those, 27 per cent say that they have been bullied over the Internet . . .

**Mr. Liepert:** Well, Mr. Speaker, I think what the hon. member would like to know is what we're doing about it. I'd like to say, you know, that the Internet is going to play an important role in the 21st century with the 21st century learner, but along with that come bad people who do bad things, and they can remain anonymous. It was my pleasure yesterday to join the Minister of Children's Services as we participated with some 300 students at a west Edmonton junior high school and announced phase 3 of our antibullying initiative. That particular phase is geared towards looking at oneself to ensure that we're not doing things like bullying.

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

**Mrs. Jablonski:** Thank you. If we're going to combat bullying, we need to get to the heart of where our students live, learn, and play. To the same minister: is the government's bullying prevention campaign doing enough to reach our children and their parents to make sure that they are getting the message?

**Mr. Liepert:** Well, Mr. Speaker, phase 3 is rather a unique campaign that is going to be released throughout movie theatres in the province. It will complement the two websites that we currently have up and running. The one is called [bullyfreealberta.ca](http://bullyfreealberta.ca), and the other is [b-free.ca](http://b-free.ca). I guess that out of all three of those phases, quite frankly, our message is that bullying is unacceptable anywhere any time by anybody.

2:10

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

**Mrs. Jablonski:** Thank you. To the same minister. I know that the government's bullying prevention campaign is in its third year. What I don't know is whether or not the campaign messages are actually reaching our students. Do you have any proof that this campaign is working and has had any impact?

**Mr. Liepert:** Well, Mr. Speaker, the only thing that I think we can report statistically is that those two particular websites that I mentioned have had more than 2 and a half million hits.

**An Hon. Member:** How many?

**Mr. Liepert:** Two and a half million hits in about two years.

Mr. Speaker, in addition to that, some 500 people have called our 24/7 toll-free bullying prevention helpline.

Just to conclude, Mr. Speaker, I think one of the things that all of us need to ensure – I don't believe that children learn to be bullies in schoolyards. I think they learn from watching adults, whether it's how adults perform at hockey games or how we speak to one another. I believe that we can give kids the wrong message.

**The Speaker:** The hon. Member for Calgary-Elbow, followed by the hon. Member for Lacombe-Ponoka.

### Logging in Watersheds

**Mr. Cheffins:** Thank you, Mr. Speaker. A portion of Alberta's oldest, rarest, and most threatened forest, in the Crowsnest Pass on

the slopes of Mount Tecumseh, was approved to be logged by the Department of Sustainable Resource Development. This rare forest has some of the most diverse and vulnerable flora and fauna in the province. It's a part of our natural heritage which should be preserved and protected for all Albertans. To the Minister of Sustainable Resource Development: will the government protect the oldest forest in the province and stop the logging from proceeding?

**Dr. Morton:** Mr. Speaker, I think the hon. member had better check his facts. I believe Mount Tecumseh is in the C5 forestry area. I postponed the approval of the next forestry management agreement in that area in March precisely because of concern about watershed and habitat issues. We're not proceeding with the forestry management agreement there until we receive the report on the Oldman water basin and we see an updated forestry management agreement for C5.

**Mr. Cheffins:** Well, then, the minister acknowledges the importance of water basins. If that's the case, Mr. Speaker, Albertans are concerned about logging currently under way in Kananaskis provincial park in the proximity of a vital watershed and within a pristine natural recreational area. Calgaryans are greatly concerned with the effect it will have on the quality of their water supply. Logging of this area can cause increased runoff and flooding downstream and increase the level of contaminants in a vital source of drinking water. To the same minister: will this government stand up for Calgaryans and all Albertans and stop the logging in this sensitive area?

**Dr. Morton:** Mr. Speaker, I hate to waste the House's time by repeating the answers I've already given, but we have not one but two hydrologists on staff. Any forestry management agreement is both tested and modelled on water treatment. I met with save a tree, the Kananaskis protection group. I met with them in June. We agree with them that the highest use of the eastern slopes is watershed and recreation. The question is: how do you achieve that goal? It's not by sitting back and doing nothing. That's what they did in British Columbia. That leads to the pine beetle. That leads to the forest fires. If you want to see real water problems, sit back and do nothing; let nature take its way. That will cause worse problems.

Thank you.

**Mr. Cheffins:** Mr. Speaker, this minister knows that clear-cutting is not allowed in various areas in British Columbia upstream from drinking water sources such as in Vancouver. The minister refers to children in British Columbia. Well, if he'd come into some of the schools in my constituency, he'd see the posters there that say: stop logging in the Kananaskis. To the same minister. These are not normal areas for logging activity. They're vital areas, important watersheds. Will this government start treating these sensitive areas more responsibly and stop the mismanagement, which is outraging Albertans across the province?

**Dr. Morton:** Mr. Speaker, we won't even take up a collection for this. I'll personally take the hon. member down to visit. He's new to the House, but he seems to have the same problems as the others: he doesn't listen very well. I'll take you down to the Castle Crown. I will show you areas that were logged 40 years ago that are now in such good shape, having been reseeded, that the same groups want to protect this area as pristine forest. Our concern about Kananaskis is just as sincere as theirs. We're using science, not romantic notions. We've seen what happened over in British Columbia. We're using science to do what's good for the long term – the long

term – not what's good for next week but the long-term well-being of the forest.

**The Speaker:** The hon. Member for Lacombe-Ponoka, followed by the hon. Member for Edmonton-Centre.

#### Edible Oil Tariffs

**Mr. Prins:** Thank you, Mr. Speaker. Agriculture is a highly competitive international and global business. Changes to protocols or import tariffs somewhere halfway across the world can have an impact on Alberta and its producers. I recently learned that China has lowered its tariffs on soybeans and that this is having a negative impact on Alberta's canola producers. My question is to the Minister of Agriculture and Food. Can the minister explain how soybean tariffs affect our canola exports and the impact that this has had on Alberta canola producers?

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

**Mr. Groeneveld:** Well, thank you, Mr. Speaker. Of course, canola and soybeans compete as edible oils. China is a big and growing market. Their tariff on canola is 9 per cent. Their soybean tariff was 3 per cent, and that has been reduced to 1 per cent. According to industry estimates, equal tariffs could potentially increase Alberta's canola exports by about 1 million tons, or \$400 million. To give this perspective, in the year 2000 China's number one and number two agricultural imports were soybeans and canola. Today, Mr. Speaker, canola is not even in the top 20.

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

**Mr. Prins:** Thank you, Mr. Speaker. The amount of potential revenue being lost by our canola producers is of concern, so I wonder if the minister could tell us what the Ministry of Agriculture and Food is doing to address this situation?

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

**Mr. Groeneveld:** Well, thank you, Mr. Speaker. My staff of course has been advocating for trade parity and promoting benefits of canola with our Chinese counterparts. We've written the federal minister of agriculture. In fact, I talked to him last Friday and Saturday about the issue, and he agreed to raise the issue with the Chinese authorities. Pursuing change to canola tariffs will probably continue to be a part of trade talks with China as we move forward on this.

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

**Mr. Prins:** Thank you, Mr. Speaker. I'm glad to hear that the minister of agriculture is continuing to go to bat for the agriculture industry. I recognize that this is not just an Alberta issue but one also that impacts canola producers across the country. So my final question is to the Minister of International, Intergovernmental and Aboriginal Relations. Can this minister tell us if there is any other action we can take, perhaps through the World Trade Organization, to remedy this problem?

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

**Mr. Boutilier:** Yes, thank you, Mr. Speaker. I must admit our

frustration in the fact that the WTO, the World Trade Organization, is moving at a glacial pace relative to the complexities of countries that are involved. But I can assure you that working in partnership with our federal government, our cousins, we want to receive the outcome that, in fact, will serve Albertans and serve them better than presently is in place today.

**The Speaker:** The hon. Member for Edmonton-Centre, followed by the hon. Member for Calgary-Bow.

#### Regional Health Authority Budgets

**Ms Blakeman:** Thank you very much, Mr. Speaker. The July 2007 contract agreement between the United Nurses of Alberta and the health regions resulted in a 7.7 per cent salary increase for nurses. The minister has refused to provide additional funding to the health regions to offset this increase. My question is to the minister of health. The regions are now forced to choose between cutting programs and services or going into deficit. What should they choose?

**Mr. Hancock:** Well, Mr. Speaker, by law they're not able to go into deficit, so they should choose to follow the law, as any prudent board would do. But it should be mentioned that the regional health authorities, working together, negotiate the agreement, so they obviously would have known what impact the agreement would have on their budgets when they signed the agreement and so would have prudently planned for that eventuality.

**Ms Blakeman:** I think the minister left the health regions in a very bad position. Is the minister going to give the regions any direction on what programs he deems expendable that they can cut?

**Mr. Hancock:** Well, Mr. Speaker, if I was going to tell the regional health authorities what programs they would cut, what purpose would I have in having a regional health authority at all? I would just run it directly. They're the ones that are on the ground in their regions, determining what the priorities are for the region, what the priorities are for the investment of the resources that they get. But I would point out that a significant amount of the \$12 billion budget that this province spends on health care goes to direct service delivery through the regional health authorities. They have significant budgets, and they have to allocate those budgets in accordance with the needs in their region.

2:20

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

**Ms Blakeman:** Thank you. Again to the minister: why is the minister avoiding accountability by forcing the regions to make the difficult and, most likely, unpopular decisions about cutting services?

**Mr. Hancock:** Mr. Speaker, the last thing on earth that I'm trying to do is avoid accountability. I expect that I will be roundly roasted by that very member when we get into debating Bill 41 and Bill 48, which set up an accountability structure which brings it right back to the government with respect to having the tools to serve accountably to Albertans and deal with the resources we need. The fact of the matter is that we have a complex health system. We have nine health regions that deliver within the context of a provincial health policy framework. Their job is to take the resources that are allocated to them and to allocate those resources in the best interests

of their region, providing the services that are needed in their region. They have large budgets, and, yes, we can always use more. But part of the role of governance, whether you're at this level or at their level, is to allocate resources in accordance with priorities.

**The Speaker:** Hon. members, that concludes question period, and that was 90 questions and answers today.

head: **Tabling Returns and Reports**  
(continued)

**The Speaker:** We'll now return to the Routine, where we were at, under Tabling Returns and Reports. I'll recognize the hon. Member for Edmonton-Strathcona.

**Dr. Pannu:** Thank you, Mr. Speaker. I've got two documents to table today. The first one: five copies of a letter from Doug Wiebe, executive director of L'Arche Association of Lethbridge, regarding the urgent need to increase support for persons with developmental disabilities.

The second tabling, Mr. Speaker, is five copies of an e-mail from the Energy and Utilities Board security leader, Ray Ambler, advising EUB board members John Nichol, Ian Douglas, Graham Lock of a contract to spy on the landowners at the 500 kV line hearings in Rimbey, Alberta. Also copied on the e-mail are legal counsel Rick McKee and communication employees Davis Sheremata and Bob Curran, still employees of the AEUB.

Thank you.

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

**Mr. Elsalhy:** Thank you, Mr. Speaker. I'm tabling the requisite number of copies of letters I received from six of my constituents, all urging us to look at revamping Alberta's labour laws, which, in their opinion, are antiquated and not fair to all working people in Alberta. One sample idea in the letters is a first-contract arbitration process, for example. These letters are from Jennifer Innes, Joyce Hass, Doreen Long, Harold Kitchen, Jarek Wysokinski, and Brenda Freeson.

Thank you.

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

**Mr. MacDonald:** Thanks very much, Mr. Speaker. I have four tablings today. The first is a letter from a constituent, Alfreda Strzelec. This letter indicates that we should have a more positive and fair labour relations climate.

The second tabling I have today is in regard to my questions from earlier today to the Minister of Energy. It's a transcription of tapes from the Austin annual meeting general session October 16, 2006, minister-counsellor Murray Smith, Alberta. This is the speech in Austin, Texas.

The third tabling I have is again another letter from a constituent, Donald George Milford, a resident of Edmonton-Gold Bar, of course, who is urging this Assembly to make five significant changes to Alberta's labour laws.

My last tabling is also a letter from a constituent by the name of John McLennan. Mr. McLennan is also advocating there be at least five significant changes to Alberta's labour laws to make them more fair.

Thank you.

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

**Mr. Agnihotri:** Thank you, Mr. Speaker. I have four tablings, and they have come from my constituents. They are Jorge Ortiz, Darren Milward, Ben Carandang, Leonila Carandang. They are all concerned about Alberta labour laws and strongly believe in "major changes to encourage fairness to all working people," strongly urging this government to "implement and support these changes to our province's antiquated and unfair labour laws" and bring Alberta labour into the 21st century.

Thank you.

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

**Mr. Backs:** Thank you, Mr. Speaker. I have two tablings. One is the victims' assistance program, a document on it from the Edmonton John Howard Society, and that just shows how to provide assistance to victims of domestic violence as they go through the criminal court system. Another is an excellent document, Wife Abuse: I Want the Violence to Stop! It documents 34 of our very necessary women's shelters and other resource centres for this difficult problem.

Thank you, Mr. Speaker.

**Dr. B. Miller:** Mr. Speaker, I have two tablings. One, a letter from Tina Copp, who came here from New Brunswick to a job but is really concerned about high increases in rent.

I have another letter from Diane Currah, who is really concerned about increases in rent. Also, "What are the Seniors, kids going to school and the Working poor going to do in the near future? . . . We need to get this Government Out."

head: **Projected Government Business**

**The Speaker:** The Official Opposition House leader.

**Ms Blakeman:** Thank you very much, Mr. Speaker. According to Standing Order 7(6) I would request that the Government House Leader share with us the business next week, the week commencing on the 26th of November, government business commencing on the 27th.

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

**Mr. Hancock:** Thank you, Mr. Speaker. We're hoping to have a very productive week next week.

**Ms Blakeman:** Hope springs eternal.

**Mr. Hancock:** It does. Monday being private members' day, government business would start on Tuesday, November 27. After Orders of the Day we would expect to be in Committee of the Whole very briefly with respect to Bill Pr. 1, the CyberPol bill, and I would expect, Mr. Speaker, just for the notice of the House that we would have a statement from the Minister of Justice with respect to that bill and then adjourn it. We would then be in second reading on the appropriation bill and possibly Bill 46, Committee of the Whole on bills 1, 2, 9, 11, 23, 24, 31, 38, and 41. I trust we'll make some progress on some of those.

Wednesday, November 28, under Orders of the Day we could be in Committee of the Whole on some of the bills left over from Tuesday, November 27, and for second reading Bills 47, 48, 49, 50, and 53 and 46 if it's in second or in committee, as well as Committee of the Whole on appropriations.

Thursday, November 29, after Orders of the Day Committee of the Whole, based on progress from Wednesday, including Bill 46

and the other bills in committee, and third reading, time permitting, based on progress from Tuesday and Wednesday, but third reading, certainly, on the appropriation bill. Bills 13, 35, 36, and 40 are also possible. When I mention progress on the appropriation bill, of course, the House will be in Committee of Supply this afternoon. If Committee of Supply approves supply and recommends it to the House, we would then anticipate introducing an appropriations bill on Monday.

That would be the projected government business.

**The Speaker:** Hon. members, during the Routine, the Oral Question Period, the chair was advised that two points of order would be raised. The first, the hon. Member for Edmonton-Centre.

### Point of Order Ministerial Responsibilities

**Ms Blakeman:** Thank you very much, Mr. Speaker. During the sixth set of questions an exchange between the Member for Edmonton-Gold Bar and the Minister of Energy, the Minister of Energy responded by indicating he was only responsible for the actions of the department following his appointment as minister on December 15, 2006. I'd like to draw the Speaker's attention to *Beauchesne* 409(6), which says:

A question must be within the administrative competence of the Government. The Minister to whom the question is directed is responsible to the House for his or her present Ministry and not for any decisions taken in a previous portfolio.

So it indicates, I think, that quite clearly, but let me also direct you to M and M, page 427, again around question periods. The advice given there is to "ask a question that is within the administrative responsibility of the government or the individual Minister addressed." Further, it comments that one may not "address a Minister's former portfolio or any other presumed functions, such as party or regional political responsibilities."

2:30

I'll also note at M and M 432 that Speaker Jerome in his 1975 statement on question period commented:

Several types of responses may be appropriate. Ministers may

- answer the question;
- defer their answer;
- take the question as notice;
- make a short explanation as to why they cannot furnish an answer at that time; [or they may]
- say nothing.

Clearly, Mr. Speaker, it is laid out that whoever is appointed and holds that position of minister for a given department is responsible for answering questions to that department, not as of a certain date. Nowhere in here does it say: only from the day they are appointed. They are responsible for the actions of that department. They are the member of the government. It is the government's ministry. They're responsible for answering for the choices that have been made in that particular department. Seeing as we cannot question them on a previous portfolio – and that is specifically stated – it does indicate that they are responsible for answering questions for the portfolio that they're in, and there is no best before date, if I may use that colloquial expression.

So for the Minister of Energy to continue to evade questions by stating that he was only responsible after December 15, 2006, is not an appropriate response, and I do give you those citations in support of my contention that there is a point of order against the Minister of Energy.

Thank you.

**The Speaker:** Others to participate? The hon. Government House Leader.

**Mr. Hancock:** Yes. Thank you, Mr. Speaker. Obviously, there's no point of order. There's nothing in *Beauchesne*'s or M and M, as the hon. member referred to it, which requires the minister to answer the question in the manner that's asked. In fact, with the rules that we have in place now, the 45-second rule, and the abuse of the preambles that the hon. members opposite are engaging in, it is very difficult sometimes to know even what question is being asked.

The hon. Minister of Energy was merely pointing out and I think has pointed out a number of times in this House that the members opposite are often living in the past and they're asking for answers to questions relative to things that go back historically. I guess if the hon. members were to read the rules rather thoroughly, they'd find that the rules with respect to written questions are appropriate to ask for issues of the past and question period is really to ask for issues of the day.

**The Speaker:** Are there others?

Hon. members, this is one of the long-standing dilemmas that, I guess, individuals have. Because so much in the question and so much in the response these days tends to be more debate than it is actually dealing with policy, we're invariably going to fall into this kind of a situation.

Now, for me to extrapolate from the Blues with respect to the hon. Member for Edmonton-Gold Bar:

When it comes to our oil sands royalty system, why did the government simply have this give-it-away policy for the last seven years?

Then the hon. Minister of Energy – and I'm skipping the first sentence in the response – says:

My responsibility with respect to this issue also started in December last year. I will say another thing.

I suspect that one could read all kinds of different things in both of those questions, including the second response. By not saying he's refusing to answer a question – he doesn't have to answer a question in this case if he doesn't want to – I suppose one could make the argument that he did answer the question. That's the subjectivity that goes with this. I'm afraid it's all part of the give-and-take in question period and the phrasing of the questions and what have you. The fact that someone says anything, one might argue that he has answered a question. The fact that someone says nothing, that is within their right not to.

I repeat: this is Oral Question Period. Unfortunately, it's not called oral answer period. So we're going to have these interpretations from time to time. They will continue. They're not new. They've been here for 102 years.

The hon. Minister of International, Intergovernmental and Aboriginal Relations.

### Point of Order Factual Accuracy

**Mr. Boutilier:** Thank you, Mr. Speaker. On the tone of your response to that point of order I will say under 23(1) and 23(i) – if I understood correctly the hon. member mentioned Washington, DC, representative Murray Smith contrary to the fact – and the member may not be aware – that, unfortunately, Mr. Smith no longer works in Washington. It is my understanding from what I heard that he was implying that he still did.

I might add that the Alberta representative, while he was there, did an absolute stellar job and helped with our fiscal regime policy, that has injected billions of dollars into our communities. That was 10 years ago. Here we are today, ten years later: we didn't generate \$25

billion; we generated over \$100 billion because of some of the good work of that member that he had mentioned.

Thank you, Mr. Speaker.

**The Speaker:** This appears to be more of a point of clarification than a point of order. Along those lines one might also want to go to this famous M and M. By the way, M and M is *Marleau and Montpetit*. There are sections in here dealing with all these sorts of things. I suspect that every once in a while it's a good release of energy. The intention was to have points of clarification, and that's the most we ever had today. It was not a point of order either. So along with the Deputy Speaker's that's 0 for 3 today in points of order.

head: **Orders of the Day**

head: **Committee of Supply**

[Mr. Marz in the chair]

**The Chair:** I would like to call the Committee of Supply to order. Before I recognize the hon. President of the Treasury Board, might we revert briefly to Introduction of Guests?

[Unanimous consent granted]

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

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

**Mr. Eggen:** Thanks, Mr. Chair. Today I'm very pleased to introduce to you and through you to members of this Assembly three members of Greenpeace Alberta. Greenpeace is an independently funded organization that works to protect the environment. These three members of Greenpeace have come to the Legislature today to present their concerns over numerous issues, including Bill 46 and nuclear energy in this province. I would like my three guests now to rise and receive the recognition of the Assembly.

Thank you.

head: **Supplementary Supply Estimates 2007-08**  
**General Revenue Fund**

**The Chair:** Just a clarification for the chair on how we're going to proceed today. Have the House leaders come to an agreement on whether we're going to go back and forth within the designated time frame, or is it 20 minutes on one side and 20 minutes on the other? Has there been clarification on that?

**Ms Blakeman:** Well, the Standing Orders are silent on how supplementary supply debate actually gets organized. I left it up to my members to try and organize with their respective ministers. If they'd like to go to the 20 minutes, they will notify you in advance. Other than that, I assume that we're into traditional back and forth, but I do hope that the ministers will be cognizant of the short period of time we have to debate this.

Thank you.

**Mr. Hancock:** I don't think anybody on this side would object to answering back and forth if that was appropriate. You know, we want to get as many of the ministries involved as possible.

**The Chair:** Okay. Then that's what we'll do unless notified otherwise.

The hon. President of the Treasury Board.

2:40

**Mr. Snelgrove:** Thank you, Mr. Chairman. It is now my pleasure to move the 2007-08 supplementary supply estimates for consideration by the Committee of Supply.

These will provide additional spending authority to 16 departments of the government. When passed, the estimates will authorize approximate increases of \$1.5 billion in voted expense and equipment inventory purchases. Mr. Chairman, the majority of these estimates are for savings and capital projects. These estimates will see \$825 million going to the heritage fund and \$408 million for capital projects, including capital maintenance and renewal and affordable housing. This is available from higher than anticipated results from last fiscal year and this year to date. The rest of the estimates are for \$197 million in disaster emergency assistance and \$68 million for public service salary settlements, contracted agency recruitment and retention initiatives, and the Fort McMurray allowance. Also, an additional requirement of \$15 million in statutory nonbudgetary disbursements is disclosed in these estimates. Disaster emergency assistance is funded through the sustainability fund, and other changes are addressed through dedicated revenue expense changes or the contingency allowances announced at budget.

Mr. Chairman, as I indicated in the House yesterday, it is important to note that our operating expense is \$77 million lower than at first quarter and \$53 million lower than was forecast at budget.

Thank you, Mr. Chairman. We look forward to answering and addressing any questions that the Assembly may have concerning these estimates.

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

**Ms Blakeman:** Thank you very much, Mr. Chairman. I think I'm going to lay out questions in a number of areas and then allow ministers to respond when they get an opportunity. I would think that the government members would be wanting, crowding, pushing each other out of the way to be here and talking to us about the different departments that are up for supplementary supply. [interjection] Oh, I'm getting an indication talking about the number of members I have present. Well, if you're the government, you want to be accountable. I notice that there are 16 departments that have additional money, and I'm afraid I don't have a corresponding number of ministers here, which is a great disappointment. I would have thought they would be proud to be talking about additional money in their departments, but I guess that's not the case.

I would also note, Mr. Chairman, that members of the Official Opposition received the supplementary supply during the very beginning of Orders of the Day yesterday, so we've had 24 hours to have a look at what is being brought forward in supplementary supply, which is a very quick turnaround for us even with additional staff that we secured. Those staff are for the policy field committees, not to do additional work like this. I'm just querying why the government felt that they had to do such a quick turnaround on this. Most interesting choices there.

We are debating \$1.5 billion in today's supplementary supply, which is a honking amount of money. That comes out to about \$1.5 million a minute in the time that we will have this afternoon, which indeed is, again, an awful lot of money to be trying to get answers from ministers as we go through.

Starting with the Department of Health and Wellness, for which I am the shadow minister, I'm finding it very interesting that we now don't really get an explanation of what's happening with this money in supplementary supply. We used to get a couple of sentences that

described what was happening. Now we're just referred back to an announcement that was made on a particular day, to which I thought, "Oh, great; I'll get a lot of detail out of that." But I go back and I look, and in the supplementary supply on page 44 it says that \$53.5 million is available for additional capital maintenance and renewal projects, as announced on August 22. Well, when I go to the August 22 announcement, that's a generic announcement for the entire government, and of course you've got to dig through it a bit to get your particular department out of it.

That announcement on the 22nd was actually an announcement of \$350 million in a number of departments, six different departments. So I've been referred to go and look at a press release in which the department I'm trying to inquire about is mixed in the midst of six other departments. I think: "Well, okay. Great. There'll be a lot of detail about what's happening there." No, Mr. Chairman, there isn't. It just talks about the \$350 million, and some people say some nice things, but it doesn't actually tell me what the Department of Health and Wellness is planning on doing with the \$53 million that they've been allocated.

**Mr. Hancock:** I'd be happy to.

**Ms Blakeman:** The minister is indicating that he's happy to tell me right now, and I hope he can give me the level of detail that I'm looking for because a one-sentence referral to a press release that gives me absolutely no information is not cutting the mustard right now.

The second thing I find very interesting is that if you read the small print that's available on page 45, Mr. Chairman, it indicates, "Adjusted Gross Amount reflects the transfer of: \$23,172,000 for emerging capital purposes from Infrastructure and Transportation." All right. We've got 53 and a half million dollars coming in, but that actually isn't new money; \$23,172,000 is being transferred out of Infrastructure and Transportation.

So I'm going back to this original media release of the 22nd going, okay, that \$53 million was also indicated there. Were the transfers from Infrastructure and Transportation included in that \$53 million? It doesn't say that in this media release. Were we going to get \$53 million on August 22, and now part of it is coming from somewhere else? Where did the rest of the \$53 million go? Well, that's my question. If you take 53.5 and subtract the 23 and change off it, you still end up with \$30 million. So where's that money? Did we not get it, or did it transfer? Why?

We were told that this was new money in the August 22 news release that we were given, but when I look at it, the \$53 million is not new money. Thirty million of it is new money; \$23 million of it is a transfer from someone else. So I go: where's the rest of the money? If it wasn't there, if it was never there, then why wasn't that in the August 22 announcement?

You know, this government gives rise to conspiracy theories because when you start to look at stuff like this – I'm not a great conspiracy theorist. I have some experts that are around me, however, and I have to say that it does give grist to their mill because you do start to wonder what is going on here. Now, it may well all be above board, but the amount of detail that is made available to members of the opposition, members of the media, and members of the public for how government is choosing to spend their money is reduced every single year. We get less and less specific information about what's happening.

So in this budget for Health and Wellness we have an additional amount of money of \$1,150,000 going to the Alberta Alcohol and Drug Abuse Commission. Oh, look, Mr. Chairman. I'm referred back to a press release from November 5. Okey-dokey, let's have a look at that one, then. Well, that, actually, is in the middle of a \$26

million investment to help contracted agencies hire and keep staff, certainly something that we've been asking for as very much needed and, I'm sure, that the sector that is contracted agencies really appreciate.

When I'm trying to look at a supplementary supply budget, I'm looking for \$1.15 million, and it's buried somewhere in the middle of this \$26 million media release. So I start skimming through it, looking for details, and there is, indeed, a paragraph: "The government-funded agencies that are contracted by AADAC [are highly valued and] . . . this funding will help these highly valued agency professionals respond" and continue to respond. Okay, well, what programs? I get no detail at all about this. It's just sort of throw it all in a big pond, you know, and you guys should just trust us that it's all going to be okay there.

You know, Mr. Chairman, when I was elected to this Assembly in 1997, I did trust the government. I believed they were good and pure people, and I'm afraid that in the intervening years I've become a cynical old woman because I've been proven wrong in that trust over and over and over again.

My specific question around the one million and change to the Alberta Alcohol and Drug Abuse Commission. I specifically would like to know, because it was through the contracting of other agencies that a previous executive director of AADAC was able to finance himself, in quotation marks, to the tune of some \$600,000 or \$800,000, and I believe he's now just been brought back into the province to face fraud charges – here we have an initiative where we're putting more money into that contracting. It is supposed to be going for improved wages, one assumes, but what has been done to make sure that we don't end up with the repeat of that situation, where I think it was \$600,000 that walked out the door into that person's pocket?

**2:50**

I have a number of questions that are really asking for specifics from the Minister of Health and Wellness. Please explain the discrepancies between the \$53.5 million, the money transferred in. How much new money is involved here? Was the infrastructure transfer money in that original press release? If it wasn't, where did the \$30 million go? Specifics, please. It's saying that it's for additional capital maintenance and renewal projects. What we're getting here is nothing new, I'm assuming, but I'd like that explained. It is ongoing maintenance and larger maintenance projects on existing facilities. Which facilities, please?

Also some details. I know that there's a new executive director in for AADAC. I'm pretty sure it's a woman, so I'm pretty sure she would have cleaned this up. I'd like on the record, please, what has been done to make sure that contract money is adequately supervised and there's a good audit trail in place there, actually, to prevent this kind of thing from happening.

Now, I'd like to go next, if you would allow me, Mr. Chairman – actually, as I said, Minister of Health and Wellness, thank you for your eagerness, but I am going to put on record a couple of different departments, and then I'll sit down. I'm sure he'll give it to me in writing, so I can peruse it.

The next ministry I'd like to raise some issues around, please, is Seniors and Community Supports. Okay. What we have here is \$15 million that "is requested to provide funding for a portion of the \$25,000,000 required for cost escalation of previously approved Rural Affordable Supportive Living projects." For those following along at home, this is on page 58 of your supplementary supply estimates book.

Now, I'm assuming that what this is is inflation. You know, I'm sympathetic to the rural areas that are trying to get affordable supportive living projects happening because, given this govern-



ment's whipping of the horses of the economy, we are now in hyperoverdrive here and are looking at significant cost overruns on anything that's being built or probably even maintained. I'd like some descriptions, please, of exactly which projects are being funded under this amount of money.

Now, the second part of this says, "The balance of \$10,000,000 is available from the budget for the Assured Income for the Severely Handicapped program owing to a lower-than-budgeted rate of growth in caseloads." I'm really interested, Mr. Chairman, because there was a change in the spring around the eligibility criteria around AISH. My colleague had done a couple of written questions looking for information because we felt that people were now being denied from AISH that would have qualified previously.

I'm specifically concerned about the use of activities for daily living as a criteria for determining eligibility for AISH. That criteria, for anybody that's following along at home, essentially is asking a physician to make statements on things like: a mild deterioration of activities of daily living would be if the patient is generally independent in activities of daily living, only requiring little or temporary assistance, and is fully capable to continue involvement in community, social, and recreational activities as compared to, say, severe, where the patient is markedly restricted in their ability to complete activities of daily living, is frequently housebound, is limited in independent interactions with community, social, and recreational activities, and/or the condition is diagnosed to be terminal.

I'm looking at this and going: hmm, \$10 million was not spent in an AISH budget. I believe that there is some evidence to suggest that people not successful in getting onto the AISH benefit program would have been under different criteria earlier.

I'm also increasingly aware of two situations happening, Mr. Chairman. I have a number of people on AISH who are trying to live independently in the community. I have quite a bit of older housing stock, 1950s and some even before that, those sort of three-floor walk-ups, you know, 12 units in a building. I have a lot of those. They were, generally speaking, cheaper rental accommodation, and a number of people living on AISH took advantage of that because they could afford to rent one of those apartments. Let's face it, they were old apartments. They weren't well insulated. They didn't have new windows or anything like that, so utility costs were pretty high. But, you know, they were fairly safe, and they were okay accommodation, not grand by any means. They were able to afford to live there.

Since the government's – I'm searching for a term that is printable – ill-advised decisions on lack of rent control in this province, it used to be that an average one-bedroom unit in these older apartment buildings was around \$500, \$550. I can't find one for less than \$850 right now. Everyone, I hope, is aware that people on AISH are collecting a benefit of \$1,050. If the cheapest apartment they can find that is still safe, as compared to, you know, something truly horrific in a basement with bugs, is \$850, we've now left these people \$300 for all of their additional drugs that they have to pay for, for additional medical testing equipment or whatever else is not covered by the program, their food for a month, personal toiletry items, cleaning supplies, and everything else: \$300. So I'm a little bit ticked when I see that 10 million bucks is being handed over to another deserving project. I will say that, but it's \$10 million that I think should have been redirected to people who are collecting AISH benefits to help them pay that increased cost of the rent that they're facing in independent living situations.

The other thing that has been brought to my attention recently – Mr. Chairman, you know, sometimes I go to these meetings at night, and I think: oh, man, I'm just too tired for this. But a very interesting evening I had last night. I went to the local meeting of the PDD

board in my constituency, and there was a presentation there from a local society – and I haven't actually spoken to them, so I'm not going to mention their name so that I don't embarrass them – that provides services to people with developmental disabilities and also people with mental health issues in a number of locations.

In some cases they offer services, and in most cases they offer services and housing. Their point is that right now for AISH recipients who live in an accommodation that is a nursing home as defined under the Nursing Homes Act, a hospital or auxiliary hospital as defined under the Hospitals Act, a facility or part of a facility approved by AISH as a designated assisted living unit, or in some very unique care needs a residential facility, the private monthly accommodation rate is \$1,469, and the standard rate is \$1,205.

Now, Mr. Chairman, if we have nonprofit agencies that are trying to offer housing for hard-to-house individuals who can only charge the basic AISH rate of \$315, these groups cannot stay in business. They will have to stop offering housing because they can't afford to do it. We've got AISH people out there on their own who can't afford the rents. We've got 10 million bucks here that has not been distributed back to those people who need it to pay for rent. For shame. I would like to hear the justification from the minister as to why these choices were made.

3:00

We've been talking about the plight of AISH recipients in this province regarding rents for some time now, and we're not getting a good answer back. The department that is dispensing the rent supplements is completely inconsistent as to who gets these rent supplements and who doesn't. My office has been told that AISH recipients can't get it because they're already getting a government subsidy, and other constituency offices have been given different information, and even from the same office they've been told different information on two different people.

It's a mess, Mr. Chairman. What we really have is vulnerable people that are trying to live their life with dignity who are being faced with paying up to 80 per cent of their income for accommodation in independent living, and we have housing societies and assistance societies that want to help them that are going to go broke trying to offer housing on the reduced AISH rate. Why can't that money be given to those housing associations and help associations along the rate of what's being suggested and what's being given to nursing homes, auxiliary hospitals, AISH-approved designated assisted living units? They should be able to get that \$1,205 rate that is given to those other agencies.

Thank you very much, Mr. Chairman.

**Mr. Snelgrove:** Mr. Chairman, it's very obvious that the hon. member is not really interested in the actual answers to the questions she started with by the simple fact that she repeated the same things the first three times, but we're going to give them to her anyhow on behalf of the hon. minister.

She wanted to know about the \$53.5 million to address capital and maintenance for health authorities and the \$1.15 million to assist AADAC's contracted agencies in their work to deliver many essential components of Alberta's addictions services. The \$53.5 million will be used to address pressures facing the health authorities such as the need for additional infrastructure maintenance program funds, totalling \$9 million. The funds are needed for building systems and upgrading projects in seven health regions. These projects relate to fire alarm systems, roofing systems as well as heating, ventilation, and air conditioning systems.

We are requesting \$8.5 million from the capital maintenance funds under the public health security and safety upgrade initiative.

This initiative was referred to in the Provincial Review of Infection Prevention and Control report, which, as you know, was released August 27 of this year. Funding will be used to correct physical plant design barriers that prevent effective infection control. The ministry is continuing to evaluate the use of this funding. We are requesting that \$27.5 million of the capital maintenance funding be used for the purchase and installation of mechanical patient lift and transfer equipment and related assistive devices.

The government is taking action to address health workforce needs. The Health Workforce Action Plan, that was released in September, stated that one of our action areas is to reduce and, if at all possible, avoid workplace injury. This funding will support our efforts in this area. By reducing and avoiding workplace injury, the safety of front-line and support staff will be improved as well as the safety of patients. Subsequent absenteeism costs will also be minimized.

Preservation and renewal projects in Peace Country health, Capital health, and the Calgary health region require \$8.5 million of the capital maintenance funding. In Peace Country health funds will go towards three specific projects: emergency department redevelopment and an endoscopic suite upgrade at the Queen Elizabeth II hospital in Grande Prairie, roof replacement and upgrading at the Fairview Health Complex, and roof replacement at the Sacred Heart Community Health Centre in McLennan. At Capital health a food production kitchen at Alberta Hospital Edmonton will be replaced with a food depot to accommodate a food receiving and holding area. Minor renovations will also be done on in-patient units to develop food rethermalization stations. In the Calgary health region funds will go toward upgrading of in-patient unit and emergency department medication rooms at three Calgary acute-care hospitals. This will ensure that current standards are met for the safe storage, preparation, and administration of medications.

In relation to the \$1.15 million in supplementary funding needed for AADAC's contracted agencies, funding will go toward addressing staff recruitment and retention issues. These agencies provide services in 25 different communities. They deliver many essential programs in Alberta's addictions services continuum, including aboriginal-based treatment and training programs, gender-specific programs, the AADAC helpline, outpatient and prevention services, residential treatment beds, and shelter services. I know, Mr. Chairman, that the opposition supports all of these initiatives. This funding is essential in order to provide the addictions services that are needed to help create healthy Albertans.

Mr. Chairman, with regard to the questions around the specific seniors' facilities that were requiring cost overrun funding, we will make the program list available to the hon. member ASAP.

**The Chair:** The hon. Member for St. Albert.

**Mr. Flaherty:** Thank you, Mr. Chair. Since the minister is still here, maybe he'd help me with this. First of all, the total amount I'm going to be talking about is \$110,400,000. As I understand it from what I have here, \$97,300,000 is for additional capital maintenance and renewal spending. Specific projects were also announced on August 30, '07: \$11,500,000 to enable school boards to provide a monthly allowance to employees in Fort McMurray and \$1,600,000 for a higher than budgeted cost of salary settlements for provincial employees.

If we could look at the maintenance aspect of the budget, first of all I think that any additional maintenance that we can do in schools is certainly in order and appreciated. I guess the question is doubtful that the extra \$97.3 million will address the infrastructure and maintenance needs of schools in this province. I wonder if he could comment later, because I haven't got many questions. Does

delaying routine maintenance and major repairs increase the cost to Albertans rather than doing it on a regular basis?

The other aspect I just wanted to ask the minister. I don't know what's happening in all 62 school districts, so maybe you can help me. There is an interesting situation – I think it's in Camrose-Battle River – where they take all the maintenance and keep it under central control and don't decentralize it to the schools. As a result I've been told there – and you'd know more about this, and you can clarify this – that they have one of the best maintenance programs in the province. The point I'm getting at, Mr. Minister, is the question: when maintenance is decentralized to individual schools across the province through moving the budget from a central office to a decentralized position, much like they do in the public school system in Edmonton, is the maintenance dollar that should be going for the ongoing maintenance in the school being used for other purposes? I don't know the answer to that. Maybe you can help me with that information. I'd really be interested in knowing that, because sometimes individual schools have ways of moving dollars around that are a little easier than, say, at the government level.

Why has the government repeatedly taken the approach to addressing severe maintenance issues of schools in this province? Why did the government choose to announce these funding initiatives at a certain time? Is there a political reason, or is it simply on demand, when school divisions required the dollars? You probably know more about that than I do, so you'd probably be able to help us. Why does the government not adopt a comprehensive list of priority maintenance projects and make it publicly available? It seems that at times the government seems to make somewhat surprise announcements whereas in a school year it may be more helpful if you get an idea where maintenance problems are coming up at certain periods of the year. You could make regular announcements regarding dollars that are required.

The other thing I'd like to know, Mr. Chair, if the Minister of Education would be kind enough to answer, is: given the high cost of living, the cash injection programs in Fort McMurray – this is not a problem that simply appeared in the last few months – why was the high cost of living not factored into the budget and addressed in terms of a longer range plan? In other words, we know that things are escalating in Fort McMurray. I actually worked there. We know that there is some regularity in terms of an increase in the cost of living, and can you anticipate that? I'd be interested in knowing if he has insights into that and would share information with me regarding that particular aspect of cost of living and how to deal with it on a more regulated basis. I'm not sure of the answer to that question. Maybe he could help me with it.

**3:10**

The other question is salary settlements for provincial employees. I'm not sure, but I think this was, if I remember, \$1.6 million. Why was this expense not taken into account in the regular budget? Which employees specifically will be getting this increase? Is there a section or a branch or a particular aspect in the department that's getting these incentive dollars? Is that maybe in the reporting mechanism that was going to be set up to, I think, help get parents knowledgeable about the various reporting systems? They were planning to do some work there, and I'm wondering if that's an additional increase in the budget for staffing. Maybe the minister could share some information on that with us.

The other question I'd like to ask him: why has this increase popped up so suddenly as to deserve an additional injection before the next scheduled annual budget? Maybe, Mr. Chairman, if I could just stop there. He's here, and I'd like to take advantage of that.

The other thing I'd like to ask – and maybe I could continue with this later. I don't know how this works exactly. In terms of the

minister's goals, I think there were three. I think the teachers' unfunded liability was one of them, and I would formally like to thank him today for the good work he's done there. I actually enjoyed his speech the other day. It was calm. I guess that when you have money on your side, it makes it a lot easier to be generous and smile all through it. I've never had that experience at my age. Maybe the hon. minister would share some money with me there in building those P3 schools, that P3 school that we're looking for, and I would smile with him. I hope it's not going to be moved out of the one district that I want to see it go into, but I hear rumours that it is.

Anyway, two things. You mentioned in one of your goals, Mr. Minister, that you were going to do some things in preventative activities, early education. I know you have an interest in that. For the love of me I didn't see it in any of these supplemental budget items, but I was wondering if you have something you'd like to share with us today because it's not very often I get a chance to talk to you like this. The other thing that has impressed me with one of your goals . . . [interjection] I'm trying to waste time so that I get my 20 minutes, Mr. Minister.

The other thing I wanted to ask you is on this whole question of school completion. I've asked my leader to purchase a condominium in St. Albert. The Premier seems to be living in my constituency, so I'm getting very nervous. He continually visits. He gave us quite a high – he said that it was going to be achieved 90 per cent by the time the election was called. I think he was kidding us.

Seriously, if I could just share some concerns there. I really am sincere when I reach out to you on this. I was at a very impressive junior high school seminar in St. Albert. No. In fact, it was somewhere else. It was, I believe, the night the teachers were receiving their awards at Barnett House. One of the things that really impressed me – and I'm sincere about this – was that a retired principal said that there were two aspects: he talked about junior high school and moving into senior high school. He talked about the mental health of students. He said that we are not doing enough in that area.

The other thing he talked about, bullying – and I heard you talk about it, or someone talked about it today – in terms of children's self-concept. I'm wondering if specifically in junior high school, in terms of that completion that we talked about, the 90 per cent, there is going to be more of an emphasis on utilizing agencies at the junior high school level, social services agencies, to help because we don't have the initiative of the counsellors that we need. He talked about collaboration and co-operation with agencies. I was wondering if the minister could share some insights into that.

The other thing that he emphasized and I thought was very interesting was much more emphasis on careers, because he's saying that the mosaic of the culture in schools, especially in junior high schools, is changing. Some of these kids could be turned on by more information on a career-related curriculum and special opportunities. I know you've talked about visitations and this kind of thing. I'm wondering if there's more emphasis, in your vision, that could be put into careers. Then, going back to grade 9, when I was with the department we had a whole program called decision-making. Decision-making was done with the whole idea of exploring with kids about their preparation for high school. There was an emphasis not only on visiting but on doing some testing and helping kids look at their interest level and their aptitudes in order to move into more of an area of interest in high school. My point in all of this, Mr. Minister, is that I don't feel that kids are getting enough. If you're not going academic, it seems to me the we're losing a lot of kids. Maybe you have some plans on that.

Moving into the high school area, then, if I haven't lost you yet, it's the whole question that, again, I think we need a much heavier emphasis on career development. In fact, one of your good Tory

friends in central Alberta, an enlightened Tory, has just stepped down from the chairmanship of the Catholic school board in Red Deer. He's a wonderful guy. He talked to me – I think he got approval from your department – he's a house builder, and he has a project, as I understood him to tell me. He told me many things that day, but he talked about kids – I think they move from grades 10 and 11, if I'm not mistaken – that work in the trades under his foremen, and they're covered by insurance.

I think there is some real merit in that, Mr. Minister, if we could have projects like this throughout the province, because we know that we can't have these expensive shops like we have in Red Deer and all throughout the province. I think that in the vision of Edmonton, for example, we could have the various industries in Edmonton come into a major lab with the various tradesmen and so forth where they could focus in and kids could come in and be stimulated. I know you can't have a house building thing in each district, but I think there's a big area here that we have to turn ourselves to, and we're not doing the job.

As a kid that failed grade 3 and couldn't read – I can't pronounce words properly even today – I think there's a part of this thing we're losing. We're losing a lot of kids because we're not stimulating them. It's not because the kids, your department, and the education group are not doing their best; I believe they are.

I can't use the names, but I'm dealing with a man at the university that goes out to four districts. He's retired, and he's going to set up a company. He tells me – and I do believe him – that we're losing a lot of kids in the rural areas and the cities because they can't do the work of the academia in junior high school. They don't see anything for them in high school, and we're losing them.

Mr. Minister, I appreciate you hanging in today and talking and staying with us. Now maybe you can talk to us about some of my concerns. Thank you very much, Mr. Chair.

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

**Mr. Liepert:** Well, Mr. Chairman, thank you very much. I happen to share many of the views and comments that the hon. member just made. Actually, I think that I'm going to have a conversation with his leader and suggest that he encourage the hon. member not to run again. I'd like to hire him as a consultant for the department because I think he actually has some really good ideas.

However, we could spend a lot of time talking about some of the ideas and thoughts that the hon. member just relayed, but I do respect the fact that this is supplementary estimates. I think we should stick to what is in the supplementary estimate book and allow as many members of the opposition to ask questions as they possibly can. So with all due respect, hon. member, we'll go for coffee one day and explore those a little bit further, but I will talk about some of the other issues. I'll try and hit all of those that I can.

3:20

The hon. member first raised the issue of the \$97 million. I guess the question was, "Why now?" or "Why August 30?" There's a very good answer to that. Under this particular Premier we have now a policy in place that when we report quarterly, we update our fiscal situation. If there are unanticipated surplus dollars, one-third goes to savings – and I know the opposition is supportive of that – one-third goes to capital, and one-third to maintenance. Decisions are made at the Treasury Board level as to where those dollars are allocated. I believe that we were fortunate to get the \$97 million allocated, and then it was up to our department to determine how we can get the best value for those \$97 million.

The hon. member asked: how do we make these decisions? Well, I would refer to – and I'd be happy to supply it, but I'm sure he has

it – the document called Schools for Tomorrow. In the Schools for Tomorrow document are listed every school division's highest priority under modernization. So what we did is take that \$97 million – and, quite frankly, we wanted to get the best bang for the buck, and I don't mind using those terms. We could have allocated the \$97 million to two or three school boards, to two or three major projects and had 59 or 60 unhappy school boards.

We also tried to look and see where school boards recently had new school construction and where they didn't. What we attempted to do was to try and find some of those school divisions that had not had new school construction or new modernization dollars in the last few years, and we tried to take their highest projects and meet them. I'm, frankly, proud to say that we managed to come up with some 17 projects around the province. They were extremely well received, including, I'm also proud to say, four particular projects for francophone boards in Alberta. So I make absolutely no apologies for anything that we did relative to the \$97 million.

I happened to visit three of those school districts the day of the announcement, and I will as long as I live remember the meeting that we had at the Delnorte school in Innisfree, a small town in the hon. Member for Vermilion-Lloydminster's constituency. Those folks had tears in their eyes because finally they had the opportunity to bulldoze down that, frankly, musty-smelling old school and finally get a school that they were proud to call their own. So that was that particular announcement.

Now, what we also did – and I need to touch on this – is: at the same time we decided to reallocate the hundred million dollars that this Assembly approved in the spring budget, in our Department of Education budget. It was a hundred million dollars for capital, which we can debate back and forth whether it was the right allocation or not relative to P3 projects. The P3 project that we have embarked upon was not at the stage where we would be drawing down the hundred million this year. So we decided at that time to take the hundred million dollars, divide it equally between the four metro school boards in Calgary and Edmonton. We were finally able to address the Western Canada senior high situation, which the hon. Member for Calgary-Varsity has raised on a number of occasions. We addressed the situation with Archbishop MacDonald in the hon. Member for Edmonton-Glenora's constituency. The two other school boards, Edmonton public and Calgary Catholic, chose to use three or four projects for modernizations. Again, I was proud of that announcement. It was a good use of dollars that have long been needed.

Now, are we anywhere near meeting the needs for modernization and repair and maintenance? My answer is no, we're not. However, it must be noted that in the, I guess, 2005-06 budget year we allocated \$200 million to infrastructure and maintenance. We found, frankly, that there were a lot of school districts that could not use all of those funds, so in this year's budget, which we approved in the spring of '07, the '07-08 budget, we backed that off to \$97 million. That's in our three-year business plan. That will be a good start, and I hope that we've got the opportunity that if there are other unbudgeted surpluses that come available, we can allocate more of those dollars to modernization projects around the province because, frankly, I think that really does get us our best bang for a buck.

The hon. member raised an interesting question, first of all, in a situation that he referred to in Camrose-Battle River. I personally do not know of that particular situation, but I don't want to debate. I don't want to sound like I'm a smart aleck here, but, hon. member, it was you specifically in your member statement today who talked about us taking away responsibility from locally elected school boards. I'm not going to go into the 62 school boards around this province and tell them how to spend their maintenance dollars. I believe we allocate the dollar, and it's then up to them. They're

responsible to their electors to determine where those dollars are spent at the local level. So I take issue, and I will not agree – frankly, I don't know what they do in Battle River. I trust they're doing the right thing, so I'm going to leave that there.

A couple more questions relative to the \$11,500,000 for Fort McMurray. I stand to be corrected here, but my recollection of this particular issue is that we commissioned the Radke report, which came back with a whole bunch of recommendations relative to doing what's right in Fort McMurray, and there was not a specific recommendation made to bring teachers up to the \$1,050 per month extra cost-of-living allowance that's paid to provincial government employees. The Radke report recommended nurses and I think postsecondary, Keyano College. There seemed to be this absence as it related to teachers.

In conversation with the hon. Member for Fort McMurray-Wood Buffalo we agreed that it simply was unfair that all of these other quasi public servants in Fort McMurray were being elevated to \$1,050 per month and that somehow teachers weren't going to be receiving that same funding. So we agreed to use some of these contingency funds to ensure that Fort McMurray teachers were treated equally with all other public servants in that particular city.

Relative to the additional dollars, that is directly related to the contract that we signed with the Alberta Union of Provincial Employees, so any individual in the Department of Education who is a member of the Alberta Union of Provincial Employees or was covered by that contract. I guess the short answer: the contract ended up being higher than what we had budgeted for in the spring budget, so that was the cushion that was there.

As I mentioned earlier, the member asked if there is documentation somewhere that would detail school boards' maintenance priorities. They are in the Schools for Tomorrow document.

I think that covers all of the questions.

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

**Mr. Bonko:** Well, thank you, Mr. Chairman. I'm pleased to be able to speak on supplementary supply with regard to the Ministry of Sustainable Resource Development. Before I begin on that, I'm just going to read one piece from the Taxpayers' Platform. This was, I guess, a survey given out to all PC candidate members for the premiership on November 14, 2006. Question 8 says, "Will you commit to introduce legislation that restricts the government from increasing spending during a fiscal year (other than declared emergencies)?" In the minister's supplementary supply here he does have a large component of the \$152,600,000 which is allocated for emergency assistance, but the Minister of Sustainable Resource Development's response says:

Yes – A Morton government would return to the practice of responsible budgeting. This would include restricting in-year spending. This practice undermines the legislative process by taking away the duty of elected officials to debate and approve spending before [any] money is actually committed or spent.

Given that part, I'm hoping that I can see, in fact, the minister put forward . . .

**Dr. Morton:** Read the rest of it.

**Mr. Bonko:** Oh, I could read the rest of it. Sure. "Moreover, I would [like to] implement fixed budget dates to ensure further [sustainability] and transparency in the budgeting process and promote greater government effectiveness and efficiency." But you did get the highest mark. I will give you that one. You did get the highest mark on that one. I'm waiting to see when that part comes, that you're going to put forward that budget.

Getting to this one here, you're asking for a large portion of this for emergency funding except for the \$4.6 million, which is for higher than budgeted costs of salary settlements for the provincial employees, so I can see where that one's coming in.

3:30

You're also asking for a million dollars to prevent the spread of chronic wasting disease. Well, we can talk about that one. We've been raising this one in the Legislature House for about two years now. In fact, the former member who was the ag critic there was saying that there were no documented cases of chronic wasting disease, but now over a couple of years in fact there are, and it's becoming more concerning as the months go by. The deer population, in fact, has increased. That's why we're having the occasional cull out there, but I don't think that's doing the job.

The root cause of the chronic wasting disease is the game farming. At what point is a ministry and a minister going to look seriously at dissolving and eliminating the practice of game farming, period, from Alberta's landscapes? At one point they were considered to be a profitable pyramid scheme, which a lot of members perhaps got in on, but also for the elk velvet. No longer can that be said. The elk velvet has gone into the tank as well as the industry for the animal game farming.

So that's one question: at what point is a minister going to in fact eliminate the game ranching, game farming, whatever you want to call it, from Alberta's landscape? Pay the individuals off, allow them to get out. Right now there's no money in it, from what I've heard. A lot of these individuals say that they just can't make a buck anymore against it. It's compounded along with the beef industry. They're competing directly. In fact, they're having a tough time making a go of it right now with the increase in the dollar as well as the onslaught of other diseases going on out there. So that would be the first question.

The other one. A hundred and forty-seven million dollars for the following emergency assistance: \$117 million, it says, to provide emergency assistance for fighting fires as a result of the high wildfire hazard levels and the fire activity in some parts of Alberta's forest protection area. That I can see. I'm not sure if it's going to be up to a \$117 million. You know, I guess that's yet to be seen. But we right now have an unseasonably dry fall and perhaps winter, which will be a devastatingly dry spring and summer.

If we're being proactive there – you know what? – hats off to you. I'll give credit where credit is due. If we can prevent the fires before they happen, fantastic. But sometimes that does get us into trouble because we do a good job at preserving the forest, and it allows us to have the old stands that we do, which leads us into the other problem that we have been talking about. In fact, it came up in question period today with regard to what B.C. did with the hands-off approach and let nature take its course. Well, I've been on the record as saying that that, in fact, was not the best action to take. They should have nipped it in the bud early and taken care of it. In fact, it allowed it to spread, and we've seen the devastation which B.C. has had with regard to the pine beetle. Unfortunately, it has wreaked havoc on the entire industry out there and ravaged thousands and thousands of hectares.

So \$30 million here we're talking about to continue to survey the ground and control operations to fight the mountain pine beetle infestation. That's fine. I'm just wondering, you know, how much of that money, the \$50 million during the summertime, has been used up? Are we an additional \$30 million on top of the \$50 million, or are my figures not correct on that? I'm just curious. It seems like an awfully high cost.

I'm not sure how much cut and burn is going to be in here as a prescribed method, or is it just a matter of monitoring still? Because

at one point last year we had about 98 per cent effective kill in the northern part of the province, but around the Kananaskis area it was still maybe about 50 per cent, which isn't good enough. I'm just wondering: what area is this concentrated \$30 million going to be going towards?

I've had a couple of questions in there. I'll give the minister a chance to respond, and we'll be able to get up and ask him some more then.

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

**Dr. Morton:** Thank you, Mr. Chairman. The additional supplementary estimate that we're requesting, a total of \$152.6 million, breaks down as follows: \$4.6 million is for increases in government salaries as a result of the budget agreement, \$117 million is for wildfire – that represents, actually, the first- and second-quarter request – \$30 million for mountain pine beetle, and \$1 million for chronic wasting disease. If you sum those, you'll get \$152.6 million.

The hon. member is correct that the majority of this, the forest fire and mountain pine beetle, comes out of the emergency fund and is thus ongoing contingent expenditures, if I understood correctly. I urge support for both of those efforts. So I appreciate that. I particularly appreciate the member's comment that he agrees that the let-nature-take-its-way approach, that some of the communities in British Columbia adopted 10 years ago, was ill advised and has resulted in the type of forestry loss to pine beetle that has occurred since then. I've indicated in the answers earlier today that that's not what Alberta is going to do, not what this government is going to do.

If you'd like some detail on the chronic wasting disease – you didn't get to chronic wasting disease yet.

**Mr. Bonko:** No. I did touch on it briefly, but I didn't get to any of the details as to the million dollars.

**Dr. Morton:** Okay, we'll hold off on that.

You asked for some details on the fires. Relatively speaking, this was a slightly better year in terms of actual fires. We saw a total of 1,228 fires through to September 30, 2007, with a total of 103,325 hectares burnt to the end of September 2007. As you're probably aware, we imposed a fire ban in southern and central Alberta, a fire ban in mid-July and then an area closure on August 1 in southwestern Alberta. That was not lifted until mid-September. That was onerous on a number of operators and also recreationists, but it did succeed in preventing any major fires in that area.

The fire risk level during that period, in August and September, was actually significantly higher than the fire risk factor down at Lost Creek in 2003, the last really devastating fire we had, so it was the appropriate thing to do. Unfortunately, it cost us a lot of money even without the fire. We had to bring in, again, as a preemptive measure two CL 415 turbine air tankers we borrowed from Quebec. We borrowed them; we had to pay for them. Those were expensive items. We had additional overtime manpower costs in order to police the fire ban and then the forestry closure. Those contributed to greater costs.

On the pine beetle side we're continuing both our detection and control activities, level 1 and level 2. We're also working with municipalities to assist in the removal of infected trees on private lands, which I know the hon. members are aware of. There was no repeat of the devastating 2006 overflight from British Columbia this year. That's good news. The number of newly infected trees dropped from several million to several hundred thousand. Several hundred thousand is still a lot, but it's nothing in the realm of several million. We feel that a combination of our proactive policies in

western central and northwest Alberta is succeeding along with, of course, the cold weather we had a year ago. But we are concerned in the southwest corner, particularly both the Crownsnest Pass and the Kananaskis/Bow River area, that the risk there is high. The number of infected trees, while small in number, quantitatively, did represent a proportional increase, whereas we had a proportional decrease in the north. So we're shifting some of our control and removal activities into those areas.

I think I'll leave it at that, Mr. Chair.

3:40

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

**Mr. Bonko:** Well, thank you, Mr. Chair, again. I was just hoping, again, for the minister to give some clarification. I did ask specifically on the chronic wasting disease and the \$1 million, so an opinion as to where the ministry is going on this. Are they in fact planning on just doing more culls – because that's a lot of money, a million dollars – or are we trying to eradicate, eliminate, and pay out the farmers eventually with regard to the game farming, which, again, as I said, is one of the root causes of the chronic wasting disease? I would like to be able to have an opinion as to where he plans to take the ministry with that and what the money is going to.

As we're getting into winter right now and we're talking about the \$117 million and the pine beetle, \$30 million, at any point in time are you going to do any of the prescribed burns? I know we're doing the monitoring, cutting, and burning, but at what point are we going to allow some areas to be burnt?

I know there's a fine line there. As long as it isn't going to in fact injure anybody, it isn't going to cause any property damage, if it's out and about in the middle of nowhere, I think at one point we'd be able to go out on a limb and say: "You know what? It's a risk that we're willing to take to prevent and have that buffer zone. Just in case we are able to have that flyover from B.C., we do have those areas where we thinned out." Now, the logging companies might say: "Well, you know what? That's not a good use of the resources. That's an area that we'd be able to in fact log." But, you know, if it's already susceptible to the beetle, are we burning or are we logging it, then?

These are just a couple of the specifics that I'd like the minister to answer. Thank you.

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

**Dr. Morton:** Thank you, Mr. Chair. On the chronic wasting disease control program I can report that as a result of the culling that we did last winter, there were 14 new cases of chronic wasting disease identified out of the deer. This brings it to a total of 29 to date. The concentration of the new areas appears to be in two specific areas near the Saskatchewan border, the Empress area and Chauvin-Edgerton. So we certainly intend to continue with the cull operation in the coming winter.

One change we've made is that, partly as a matter of economy but partly also as a matter of opportunity for hunters, we are trying to increase the number of deer that are taken by hunting and by Alberta hunters rather than by the actual cull operation itself. We've extended the season to include 50 days. That's for the general. Landowner season has been extended to 82 days. The licence has been reduced to a \$9 cost as compared to \$33 for a normal. The licence entitles you to three deer, whereas a normal licence, of course, is just for one animal. I think that covers that.

As far as the game farming goes, there's no consensus in the scientific community linking chronic wasting disease with game

farming. The jury is still out on that. Most, indeed all, of the identified cases of CWD to date are on the Saskatchewan border. Of course, there are many game farms that are much further west than that, and there's no indication of chronic wasting disease in those areas. In answer to his question there, we're not intending to eliminate game farms.

With respect to his question about prescribed burns, those will continue to be part of, if you like, the mixed approach or multi-pronged approach to pine beetle. Most of the prescribed burns are done in areas adjacent to the national parks, Banff and Jasper, because the policy in the national parks is to not cut. So we work in conjunction. All the managers of the national parks recognize the threat of pine beetles, particularly where there are already infected areas. They're willing to co-operate, but they prefer to co-operate using the burn. Burn has a place in the overall pine beetle control operation, and there will be additional burns this winter when the conditions are right. A number of the burns that we had hoped to do in the spring and fall were postponed because fire conditions were not right. So there are several on the books. If the member is interested, I'll provide specific information by memo as to when and where to expect those.

Thank you.

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

**Mr. Eggen:** Well, thank you, Mr. Chair. I appreciate the opportunity to speak to the supplementary estimates here this afternoon. There's quite, I guess, a bit of a mixed bag of things that I have identified in looking at this document. I will try to of course stick clearly to the supplementary supply side of things on this occasion and also stick to the ministers that I think are here to maybe give me a hand with this.

The first interesting number that I just wanted to highlight is actually in the Executive Council section, but perhaps the minister for the Treasury Board could help me with that. I just noticed that there is a line item here for \$325,000 for strategic communications. I was wanting to know two things, I guess, Mr. Chair. First of all, what was the price of the Premier's 20-minute television address that he had recently on Alberta television? Did this number of \$325,000 sort of correspond to the cost of paying for that 20-minute television address? I noticed it was very high quality, high production. It looked like they'd used film stock and whatnot. So I'm just wondering: (a) what was the cost of that 20-minute television address; and (b) the \$325,000 for strategic communications, is that the corresponding number that you required to add to the Executive Council budget?

Also in regard to, probably, the Treasury Board, I noticed that in the municipal affairs budget there's \$9 million more for rent supplements that is required for this program. As you would know, Mr. Chair and members of the House, there's been a lot of criticism around this rent supplement program. I think it's problematic in the most basic sort of logical way, that you are throwing good money after a problem that's not tenable, where of course landlords are increasing their rents. There's a range of reasons why rents are going up so quickly in Alberta. Then there's a supplement program to try to cover the balance.

So number one, of course, that rent supplement budget is not large enough to cover the many thousands of people that would require that assistance, if that's in fact the logical way to solve this problem, which it's not. Number two, you would never be able to build that big of a budget to actually make this function. If I could add a third criticism of this, it's that as you continue to add supplements to an inflating market for rents, you risk the possibility of actually adding to the problem. By adding those extra dollars into the system, it

creates a systemic problem for rent increases. In fact, landlords can watch this and increase their rents accordingly if they know that there's government money that might bring in the rest to make up that amount that they choose to increase their rent by. So on just so many levels it's not a logical way to deal with what I believe is a regulatory problem, right?

We either use funding in this Legislature to deliver public programs, or we use regulation to deliver public programs. In this case with an emergency situation in the rental market across Alberta it's far more reasonable and entirely logical to use regulation to deal with this problem. I can say with confidence that this is, in fact, a massive waste of money when we could put in temporary rent regulations that would stabilize the situation and allow us to get back to a degree of normalcy for thousands of Albertans with rent problems right now. I think that stands out as a huge, huge problem that needs to be dealt with.

3:50

Looking specifically to some other ministries in this supplementary supply estimate, well, globally it's worthwhile pointing out that we appreciate the fact that \$825 million is being delivered to the heritage trust fund. It's very, very important that we save for the future, and to see this being enacted is a good step in the right direction. It's avoiding the temptation to spend all of the extra funding and surplus that we have available to us. Rather, saving, I think, is a much more prudent thing to do.

However, certainly in different ministries in different parts of our society in Alberta right now there are emerging situations that we have to deal with probably more immediately than just waiting for the next budget year. The first one that comes to my mind is the crisis that is taking place in the cow-calf industry across the province. Myself, I'm not a farmer or a cow-calf operator, but certainly in my family we have a long tradition of doing so, and I've been monitoring this, of course, as a critic. Quite frankly, I don't think it's ever been this bad in terms of pricing and expenses for cow-calf producers in the province of Alberta. This is an emerging problem that is unfolding by the day and by the week, and it certainly requires attention in this fiscal year. We lose whole operations and herds every week. People are losing their farms and a lifetime of work on these farms, again, by the week.

There's a basket of problems associated with this, Mr. Chair, that we simply have to deal with immediately. For our larger society losing that capacity to produce food inside the province of Alberta I think is a potential crisis. Losing a lifetime of work to build up the herds, especially with family farms, is again a crisis that is not tenable to deal with. [interjection] Sorry?

**The Chair:** Hon. member, there's no supplementary estimate in agriculture.

**Mr. Eggen:** Yes. That's right.

**An Hon. Member:** There is no supplementary estimate.

**Mr. Eggen:** Yes, but I think that the absence of spending on this in the supplementary is what I'm saying – right? – that the agriculture budget requires . . .

**The Chair:** Hon. member, we're debating the supplementary estimates that have been presented here.

**An Hon. Member:** He's talking about what's not there.

**Mr. Eggen:** It's in the absence, right? [interjection] Well, yeah,

I'm trying to help you out, right? I mean, it's fair enough. Okay. The point is taken. I'm sure that the minister is aware of the situation. The immediacy of the problem is something that we have to deal with.

In terms of the K to 12 education budget, then, we . . . [interjections] There he is. There we go. See? I'm willing to accommodate my audience here.

**An Hon. Member:** They're still listening; that's good.

**Mr. Eggen:** Yeah. Oh, they're listening, all right. Yeah. Absolutely.

It's interesting to see that there's \$97 million for capital maintenance and recovery. I guess I need clarification on that issue, more specifically for my own edification, as to where that is going and if that's an ongoing additional expense that we need to incur. Of course, we have a serious infrastructure deficit in schools, and it's been a long time coming for maintenance that has been deferred over the years. It's made for, I guess, sometimes a situation where you can't even begin to repair; you simply have to demolish and start again. So I'm curious to know about that.

Considering that we're going to be building quite a number of schools here with the new plan of using private/public partnerships, Mr. Chair, I think it's very problematic. It has a lot of sort of unanswered questions about that. The one that's come to me straight off with that from two constituents of mine is the government sort of quietly stopping funding for cafeteria infrastructure building in the province of Alberta. Of the constituents that I spoke to, the one lady has a PhD in nutrition. Her child is going to Victoria school in downtown Edmonton. The parents and parent council and a lot of people in that area are very concerned that there's no longer capital funding for cafeterias. So considering our focus on nutrition and health and preventative medicine, preventative procedures and lifestyle, I think that, you know, I would certainly like to see this policy reconsidered. Or at least perhaps the minister can give us some explanation as to why that has been dropped from the policy for building new schools in the province of Alberta.

Mr. Chair, I think I'm going to sit down. Perhaps I can get some answers to those questions. I appreciate the opportunity. Thank you.

**The Chair:** The hon. President of the Treasury Board.

**Mr. Snelgrove:** Certainly. Thank you, Mr. Chairman. The supplementary estimate for Executive Council, as the hon. member would be aware, was for the salary settlements and had precious little to do with anything else.

For municipal affairs I'm not exactly sure whether his statement about the \$9 million meant he didn't support rent supplements, and then he said that we should make it more for rent supplements. So I think that, obviously, they do know where the money is going; they might just not agree with it being there. Certainly, the money has been accounted for in supplementary estimates.

**Mr. Eggen:** I was saying that, categorically, it's not a tenable thing to continue with. Certainly, the emergency that has been created and the necessity of people to try to access some rent supplement is appreciated. It was a very sort of ad hoc program that I noticed was at first difficult to access, and then it sort of disappeared into the ether. So I'm suggesting that, categorically, it's not the way to deal with the problem we have at hand.

I do apologize. I just didn't quite catch what that \$325,000 for

strategic communications was for. Maybe I missed it. But if you could repeat that for me, I would be honoured.

Thank you.

**Mr. Snelgrove:** The Executive Council dollars were to pay the budgeted salary settlements for the provincial employees.

I'm still not exactly sure. Does that mean you don't want rent supplements or you do want rent supplements?

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

**Mr. Liepert:** Thank you. I'd just like to make a couple of comments because there were some questions and comments made by the Member for Edmonton-Caldor. Both the Member for St. Albert and the Member for Edmonton-Caldor had sort of indicated without saying so that somehow there was some clandestine effort here to not divulge where all this money went, this \$97 million in modernization projects. Well, I could take the time of the House to read the news release, read the list of all of the projects, if we so chose. I'm happy to table the document. It's already public. But if the members would so choose, I'm happy to stand here for 10 minutes and read it all out.

4:00

The member also made a comment relative to: he'd be curious to know what additional expenses we're going to incur as a result of this maintenance project. Well, I would venture to say, Mr. Chairman, that these 17 modernization projects will actually save us money because we're actually now going to have newer facilities with newer, updated lighting and everything else rather than a bunch of old buildings that cost a lot of money to heat. Rather than additional expenses – I'm not sure what he's referring to – there would be, I would believe, savings on behalf of the school boards.

Finally, he made mention of stopping cafeteria funding. The Department of Education has never funded cafeterias as part of the capital cost. Cafeterias have always been paid for, if school boards desired, as part of a project, that it would fund in addition. Cafeterias have never been part of provincial government capital funding, to my knowledge.

That's it. Thank you, sir.

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

**Mr. Tougas:** Thank you very much, Mr. Chairman. First of all, I would just like to congratulate all hon. members on your third anniversary in this Legislature, here in the happiest place on Earth. It's also, coincidentally, the third time we've had supplementary spending estimates, three times in three years, at least for us anyway. So three straight years.

We do have a few questions here on Advanced Education and Technology, which I'm sure the minister will be able to handle handily. I was looking back in the history books here, and the last three years we've had supplementary spending in advanced education for substantial sums every year: in '05-06, \$99 million; in '06-07 we had \$107 million, I think; and now, \$145 million. [interjections] I'm letting secrets out, am I?

I have to compliment the minister. The minister knows the keys to the Treasury Branch vault, apparently. He knows the keys to the vault.

**Mr. Strang:** The combination.

**Mr. Tougas:** It's a combination, is it? Fine.

We do have some questions, though. There are only three major

items here, and I would like to get some explanation from the minister about them. In particular, we have \$30 million to the U of A to upgrade its district utility system. This clearly needs a little bit of explanation. I'm wondering if it's one of these matters, deferred maintenance that's sort of built up over time, or is it some sort of serious problem? It sounds like the whole system is going to crash if you need \$30 million at one time. If he could expand upon exactly why the \$30 million is needed at this stage.

Four million dollars for Keyano College to provide a monthly allowance to employees in Fort McMurray: I understand what that's all about. It's pretty well straightforward.

Then we also have \$111 million for capital maintenance and renewal projects, as was announced on August 22. It took a lot of looking around to find the announcement about what that was all about. I couldn't find it on the advanced education website. It took quite a lot of looking to find that. I'm wondering why, instead of just actually having that, we had to go looking for press releases, why it wasn't actually listed in this document. This is a problem that has come up frequently over the last several years, that we have one-line mentions of \$100 million expenditures. I think it wouldn't take too much effort to add a little bit more explanation in these documents. I understand it's for a variety of capital maintenance and renewal projects. Maybe there were too many to list. That's a possibility. Perhaps the minister could expand upon that, please.

If he could just fill us in on some of these problems, then maybe I might have some more questions afterwards.

**The Chair:** The hon. Minister of Advanced Education and Technology.

**Mr. Horner:** Thank you, Mr. Chairman. I, too, would congratulate all the members on their anniversary of the third year of being honoured to serve in this illustrious House.

In answer to some of the questions from the hon. Member for Edmonton-Meadowlark, the \$30 million for the University of Alberta district utility system is actually to augment a total system upgrade to meet the requirements of the Edmonton clinic and the Cross Cancer expansion and other areas around the campus. It's their power plant for the entire campus. This brings it totally up to capacity, to ensure that when we open the Edmonton clinic and we open those other buildings – we're doing a lot on construction over at the U of A – they'll actually have the utility requirements met by the plant. So that was the \$30 million.

Of course, the \$4 million grant to Keyano College is obvious. It's for the allowance for Fort McMurray.

The remaining \$111 million was for capital maintenance and renewal projects at various postsecondary institutions. The hon. member mentioned that there are probably too many to list. He's pretty close to being accurate on that one because what we tried to do was hit every one of the top priorities as far as capital deferred maintenance that the institutions had given us. Certainly, the ones that came out as their top priorities were the ones that we wanted to hit first, things like \$13 million for the safety system upgrades at the University of Lethbridge, \$2.2 million for fire alarm security system upgrades at Lethbridge College. We did eight different postsecondary roof replacements, that totalled around \$32 million. In total, Mr. Chairman, these deferred maintenance items were as requested by the postsecondaries, numerous ones around the province.

**The Chair:** The hon. member.

**Mr. Tougas:** Thank you very much, Mr. Chairman. The \$30 million for the U of A: is this not something that was known about for some time? I mean, would this not be something that you'd see



in previous budgets, or was it something that came up later when they said: you know, "This whole system is going to crash if we don't get this infusion of money in a big hurry?" It sounds like something that would have been in the works for many years, and why we need to go off budget to get the money for this is interesting to me. If you could explain that a little bit.

Some of the other ones: the hundred million dollars. Again, are these the result of years where there wasn't enough money put into the system and now we're playing catch-up, or are these predominantly newer projects intended to fill in the gaps that have existed previously?

**Mr. Horner:** Well, Mr. Chairman, there's no secret to the fact that there are a number of deferred maintenance issues within the capital that we have built up over the province. When you have institutions that are closing in on a hundred years old, you're going to have some issues around when you start to build brand new beside it. Is the plant and equipment that is on-site going to be capable of handling that type of expansion? If it's not, do you replace it, or do you augment it, or do you change it?

In the case of the University of Alberta, we're talking about close to probably a billion-dollar project in the Edmonton clinic going in. You have the interdisciplinary sciences building going in, you have expansion projects in the engineering field, you have expansion projects on a number of the different faculties at the U of A, all of which are dependent upon the power plant that the U of A has had there for some time.

In fact, by doing the project costs for the utility system that we're talking about, it's actually probably going to be a total cost of around \$89 million when you add it all up. But that utility system has proven to be very cost-effective for the university, so why would we replace it? We want to expand it so that it can handle the newer infrastructure that's coming on stream. We believe that we're probably looking at potential savings with the plant and equipment there of close to \$22 million once the Edmonton clinic is up and operational.

In terms of some of the other projects, Mr. Chairman, obviously around the province there are various issues related to institutions that have been there for quite some time. We've done a lot of expansion in the system as well as this deferred maintenance. All we're talking about here is the deferred maintenance.

**Mr. Tougas:** One more question on Keyano College. If you could just expand on that a little bit. Is this just also catch-up, or is this setting a precedent for increasing salaries for people elsewhere? Can you expand on that a little bit, please?

**Mr. Horner:** Well, Mr. Chairman, that's the result of the negotiations around the province as it relates to allowances for northern Alberta. We want to maintain a competitive position for our institutions in the north and thus gave them the authorization to move forward with that grant so that they could augment those faculty and staff up there just as other government employees are getting the same type of allowance.

4:10

**Mr. R. Miller:** Just further to that, if I could, Mr. Chairman. Every time that I visit Grande Prairie – and I was up there again just recently – I hear this question from public service employees and educators and whatnot in the Grande Prairie region, arguing that they face the same pressures and the same challenges that residents of Fort McMurray do, yet they don't get the northern allowance that the minister just spoke of. I'm wondering if he would address the situation, for instance for Grande Prairie College, if he would

consider offering the same sort of benefit to the people that work at Grande Prairie College.

**The Chair:** The Minister of Advanced Education and Technology.

**Mr. Horner:** Thank you, Mr. Chairman. Again, it's probably not really a part of the discussion of supplementary estimates at this point in time to be discussing what might or might not be happening in other areas of the province, but obviously there's a difference in the cost of housing between Fort McMurray and Grande Prairie, and I know the hon. member knows that. There are also differences in the cost of living that are related to Fort McMurray as it relates to Grande Prairie. We are always looking at ways and means that we can encourage the postsecondary system to be more accessible, affordable, and, of course, of a high-quality calibre, and that's simply all that we're doing here.

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

**Mr. Elsalhy:** Thank you very much, Mr. Chairman. It is my pleasure to participate in the supplementary supply question-and-answer period. I have two ministers that I am responsible for. The hon. President of the Treasury Board actually happens to be the Minister of Service Alberta, and I have one or two questions for him. I also have a few questions for my hon. colleague who is the Solicitor General.

I'll start with Service Alberta because in this supplementary supply we're being asked to approve \$4 million, and I have two questions. The first one is with respect to consumer awareness and advocacy. I know the hon. minister remembers back in the spring, when we were talking about Bill 202, the Consumer Advocate Act. I made the argument then that consumers need a voice and that they need a representative voice, somebody to advocate on their behalf, somebody to defend their interests. The hon. minister back then argued that we have the mechanisms in place to adequately and sufficiently do this. I'm just wondering, you know, where this \$435,000 is going to be spent and if he can give us a brief update as to what was done with the \$20 million that we approved in the spring in the regular budget, not in sup supply.

**Mr. Snelgrove:** Mr. Chairman, you know, we've pointed it out, and I know it would be probably beneficial, like the Minister of Education said, to someday sit down with the hon. members and talk about the budget as it goes along and are programs working or not working, but supplementary estimates are simply to be voted on money that has been reallocated within government to a pressure. In this case for Service Alberta we have nearly 2,000 employees, and with the settlement that was reached with AUPE, this was the money required to fund those settlements. Really, today, with all due respect, I'm only going to talk about what's in the supplementary estimates.

**Mr. Elsalhy:** Actually, I should have maybe quoted which section I am referring to. On page 63 of supplementary estimates, which is the ministry's own page, section 2.2.1 talks about \$435,000 more, as in supplementary supply, as in money that wasn't in the budget in the spring, as in money that is being spent outside of the regular budget on consumer awareness and advocacy. I know about the AUPE settlement. That was not the question. I am asking about consumer advocacy and awareness and where this money was going to be spent.

**Mr. Snelgrove:** Mr. Chairman, where it's being spent is on the staff.

We have a huge department of consumer awareness and advocacy and the many different departments, and that is salary, staff benefits.

**Mr. Elsalhy:** Okay. So I'll take the minister's answer as indicating that anything from section 1 all the way to section 4.0.3 is being spent on staff. I'll accept that answer.

Then I'll move on to my bigger department, if you will, Mr. Chairman, which is the department of Solicitor General and Minister of Public Security. I appreciate the fact that the minister is here, and I thank him for the effort to address some of the questions. The hon. Minister of Service Alberta has moved over so that the line of communication would be direct. You know, he doesn't want to intercept any of my questioning, which is okay.

The Minister of Public Security is asking the Assembly to approve \$9.45 million. I know that some members agree without even checking the details. I'm going to maybe focus my questions on three or four areas. The first one is crime prevention. I'm going to reference the section again for the benefit of the minister: page 67, section 2.2.1. He's only asking for \$11,000. While I'm always an advocate of not spending anything outside of the regular budget, I notice that other areas, other arms of his ministry, are getting a lot more money where, in fact, crime prevention should be highlighted, especially, Mr. Chairman, in light of the international crime reduction conference that both the minister and myself attended in Banff about a month ago and then also in light of the recent announcement from the government with respect to the safer communities task force.

**Mr. R. Miller:** That would be the announcement that had no dollars attached to it.

**Mr. Elsalhy:** And that would be the announcement, as I was reminded by my hon. colleague from Edmonton-Rutherford, that had no money whatsoever indicated in its documents. You know, we had a press release. We also had a background document. It told us about what the government's response was to the recommendations of the task force, but nowhere in these documents and actually nowhere in the media event was there any talk about money except when the Premier was challenged and some reporter asked him: well, how much exactly are you allocating? And he came up with that number of \$470 million over three years.

So my question is that \$11,000 doesn't seem like much if we're really serious about crime prevention. I'll start with that to get the ball rolling.

**The Chair:** The hon. Solicitor General and Minister of Public Security.

**Mr. Lindsay:** Well, thank you, Mr. Chairman. To answer the hon. member's question, we pride ourselves in trying to stay within our budget, so \$11,000 is not a lot.

In regard to the comments on the task force recommendations we do plan on implementing I think it was 29 of those 31 recommendations. Again, as I had indicated earlier in this House, stay tuned because those are going to be items that we will be discussing in our next year's budget.

**The Chair:** The hon. member.

**Mr. Elsalhy:** Thank you, Mr. Chairman. The second question I have is on the next page, which is page 68, talking about gaming research. Now, we have had report after report that indicates that gambling in Alberta is out of control, and we've had report after report that indicates that gambling itself is a social ill and that it

leads to the breaking up of families, it leads to people losing their money, it leads to people committing suicide, and so on. However, there's also research that indicates something that I refer to as a comorbidity, which means a coexistence of other ills, a coexistence of the tendency or the propensity for gambling itself to lead to other crime, as in theft, as in domestic violence, as in even murder or assault, and so on and so forth.

Now, I was really, really surprised that there isn't even a cent that is allocated in this sup supply to gaming research, regardless of the fact that Alberta is now the highest gambling jurisdiction in North America. We're really rivalling places like Nevada now. If you look at the initial amount, which was only \$1.6 million in the spring, we argued back then that was hardly enough, and now we have nothing more to actually alleviate that concern, nothing more to address that concern because the government doesn't think that there is an issue with gambling in this province. I think they're addicted to that revenue. They like the fact that in this second-quarter budget update we're making \$60 million more from gambling, and gambling is the second-highest source of income for this provincial government after oil and gas.

It comes as no surprise to me that they're not interested in collecting that type of research because if they do, maybe we will find out about it, and maybe we will hold them accountable. To the Solicitor General again: why the lack of interest in research that might give you a clearer picture about the gambling situation in this province?

**The Chair:** The hon. minister.

**Mr. Lindsay:** Well, thank you again, Mr. Chairman. Just to be clear, we're here to be talking about supplementary appropriation. Under this particular question around gaming research, again, we pride ourselves with staying within the budget.

4:20

The Alberta Gaming Research Institute is a recipient of this grant. They do a number of research projects every year that are passed on to the Alberta Gaming and Liquor Commission. For the hon. member's information, I recently met with the chair of the Gaming Research Institute, and they are actually meeting this week with the AGLC to ensure that the research they do is applicable to the challenge that we see facing gaming in our province today. We are serious about those who do not participate in that recreation activity for that purpose but get addicted. We take that very seriously.

We have, as the hon. member knows, a whole number of programs that are in place, that we're putting in place to ensure that those with problems have every opportunity to have them addressed. Again, it's an indication that we take seriously that we want to stay on budget. In this particular case the research institute is putting those monies to good use.

**The Chair:** The hon. member.

**Mr. Elsalhy:** Thank you, Mr. Chairman. I'll now switch to something that is being spent. I'm going to start by talking about the remand centres. We all know that the Edmonton Remand Centre is in really, really bad shape. We were promised in the spring that the new remand centre was going to be constructed and that the government already owned the land and the site was chosen and that we are progressing and moving forward.

You remember, Mr. Chairman, that earlier in this fall session, on November 6, I actually asked the minister what seemed to be the problem. Why the delay? I then also asked about why all of a sudden the estimate for the amount of money it would take to

construct and complete the Edmonton Remand Centre, the new one, more than doubled. It was actually more than 101 per cent extra. We got some answers from the minister that indicated that this kind of stuff happens. When challenged, the Minister of Infrastructure and Transportation struggled to come up with an answer where basically he indicated that the contract is being reviewed, and the contractor is in negotiations with the subcontractors. Well, I don't think we can wait any longer. We need to start construction, and we need to finish it as quickly as we can.

Now, in this sup supply, the minister is requesting \$3.1 million, and that is on page 67, Adult Remand and Correctional Centres, section 3.2.1. So \$3.1 million. How much of this money, hon. minister, is going to the existing crumbling, deteriorating, and decaying Edmonton Remand Centre? How much of this money is going to be spent on that cost overrun for the construction of the new one? How much of this money might find its way to the Calgary Remand Centre?

**The Chair:** Okay. Hon. member, we're not talking about infrastructure. That's not part of the supplementary estimates.

**Mr. Elsalhy:** With all due respect, Mr. Chairman, there is a line in the sup supply that talks about remand centres. This money is going to the remand centre. I want to know where it's going and what it's going to be spent on. That's a valid concern.

**The Chair:** Hon. minister, respond if you wish.

**Mr. Lindsay:** I'd like the hon. member to clarify for me what page of the estimates he's looking at.

**Mr. Elsalhy:** I started by saying page 67.

**Mr. Lindsay:** The supplementary estimates that he's talking about, Mr. Chairman, are because of salaries. They actually don't have anything to do with the new remand centre. But just to answer the question as he indicated regarding the existing remand centre, we are doing some improvements to that centre because we're obviously going to be needing it for a number of years until the new one is built. So there is some money in capital that's being used there.

**Mr. Elsalhy:** Mr. Chairman, this is quite interesting, actually, because it seems like the stock . . . [interjection] Oh, the Minister of Education is also equally upset. I don't know why.

It seems like, Mr. Chairman, we're being asked here in this Assembly to approve \$1.5 billion in extra spending that is happening outside of budget.

**An Hon. Member:** Then ask about it.

**Mr. Elsalhy:** Well, that's what we are doing. I'm asking about \$3.1 million, and the stock answer now is that it's going to staff salaries.

Well, Mr. Chairman, I have to read you something from page 67, a footnote. The footnote says: "Adjusted Gross Amount reflects the transfer of \$5,500,000 for infrastructure planning purposes from Infrastructure and Transportation, pursuant to the Appropriation Act, 2007, section 5(4)(a)." This particular footnote is telling everybody who takes the time to read it that, basically, not everything on here is for staff salaries. It is telling us that some of the money is going to be allocated towards infrastructure projects. My question was: how much money from this \$3.1 million extra that the minister is trying to approve is going to be finding its way to the new Edmonton Remand Centre, what percentage is going to make its way to the old

Edmonton Remand Centre, and what percentage is going to make it to Calgary?

**Mr. Lindsay:** Again, Mr. Chairman, maybe I can clarify. There's none of the \$3.14 million going to the new remand centre. Let me explain. The \$9.4 million: \$6.3 million of that pertains to higher than budgeted salary settlements. The \$3.1 million is for enhanced policing agreements. To elaborate on that, as allocated under section 22(1) of the Police Act the ministry has entered into numerous agreements with communities that require enhanced levels of policing. The costs of these enhanced policing agreements were billed to the ministry by the RCMP; however, we recover 100 per cent of these costs from communities. However, on direction from the Alberta Treasury Board we needed to change how we account for these reimbursements. Previously they were recorded on a net basis. Now these reimbursements are recorded to reflect both the revenue and gross expenses. Therefore, the operating budget needs to be increased accordingly to show the changes in accounting.

**Mr. Elsalhy:** I appreciate the answer. I mean, the minister had the opportunity to actually give this at the beginning instead of the push back, instead of raising their hands and shaking their heads and looking at us as if we don't know what we're doing.

You know, Mr. Chairman, the amount of scrutiny that we allocate and award to something like this is really minimal, and we have to use this opportunity to ask those questions. This is money that was not in the budget. This is the first opportunity we get to ask questions about this extra money. For them to want us to assume that all of this money is for staff salary and for staff salary settlements I think is inaccurate and I think is deviating from the norm. This is not the first time we've discussed supplementary supply. This is not the first time some of these ministers were on the front bench and answered these kinds of questions. I'm just curious why this, you know, hesitancy to share the answers with us.

Now, moving on to sheriffs. Provincial policing, as the minister indicated, is receiving an infusion of money, a shot in the arm. The sheriffs' branch seems to be getting a lot of money. I'm referring to page 67, section 2.3. Protection services is getting some money, security operations, traffic safety, investigative support, and warrant apprehension. Now, the minister might say that, yes, this is all for staff salaries – and I am going to accept this answer – but I'm comparing this to the overall expenditure. The supplementary request for the sheriffs' branch totals \$1.4 million, while provincial policing overall is \$3.2 million. If I do the math correctly, Mr. Chairman, that's about 30 per cent.

I know that initially the argument from the government was that sheriffs were going to save taxpayers money and that they were going to do very targeted and focused work. We were complaining that maybe our payments to the RCMP were, you know, huge or exaggerated and that sheriffs for their targeted and focused mandate were going to save us money. Now we're led to believe that, first of all, the difference is not that big. It's about \$4,500 or \$5,000 at most between what a sheriff costs the taxpayer and what an RCMP officer costs the taxpayer. That margin, that difference, is actually narrowing and shrinking, especially today when we're actually spending all this money on the sheriffs' department. My question to the minister is: what exactly was missed in the spring budget that we're now trying to catch up? Does he feel comfortable with a 30 per cent cut? Is this maybe indicative of things to come next spring in the budget, that sheriffs are going to occupy 30 per cent of that picture, that they're going to take up 30 per cent of that funding allocation?

**Mr. Lindsay:** Well, first of all, Mr. Chairman, to set the record straight, just so that the hon. member understands, when we talk

about sheriffs, we're not only talking about highway sheriffs; we're also talking about the 400 of them that are involved in prisoner transfers, court security. We also have a number of specialty units who are assisting police now in regard to warrant apprehension, surveillance units, and investigative work inside corrections. So, again, as I alluded to before, those dollars are for higher than expected salary settlements, and that's where that money is going.

4:30

**The Chair:** The hon. member.

**Mr. Elsalhy:** Thank you, Mr. Chairman. I'm not disputing that sheriffs do good work for the mandate that they're given. Recently it was brought to my attention, though, that sheriffs have been reclassified. Their pay scale has been adjusted whereas people like corrections officers in our jails and remands, people like Legislature security, people like courtroom security have not. My question to the minister today in light of this sup supply and the \$1.4 million extra for the sheriffs' department collectively: why were these other, equally important arms of law enforcement left out? Why were they ignored? And are they, too, going to be reclassified or moved up the pay scale?

**Mr. Lindsay:** Mr. Chairman, first of all, let me point out to the hon. member that we respect the services of all government employees. You can't be comparing apples to oranges. In regard to sheriffs and corrections officers there are different levels of responsibility, different levels of training. They add different value to the government. Again, I want to reiterate that we appreciate the services of all our employees. It's also interesting that the new agreement was approved by not only the corrections officers and the sheriffs, so we believe there's fair compensation there.

**The Chair:** The hon. member.

**Mr. Elsalhy:** Thank you, Mr. Chairman. One last thing. I'm looking at the ministry support services, and on page 67, if I may add, section 1.0.5 talks about information technology. We're only adding \$41,000 there. That's not a huge expense. I'm not necessarily opposed, but I wanted to know how that fits with information gathering and intelligence gathering and the integrated electronic system that the minister was talking about back in the spring.

**The Chair:** The hon. minister.

**Mr. Lindsay:** Thank you, Mr. Chairman. Again, \$41,000 under information technology is just an indication of salary increases for the people who are employed there doing great work for us and justified and very necessary.

**The Chair:** The hon. member.

**Mr. Elsalhy:** Thank you very much, Mr. Chairman. Now back to the Minister of Service Alberta if he switches his other hat and is now the Provincial Treasurer. On page 12 of the second-quarter fiscal update I just have to seek clarification. If I'm reading it right, for the first six months ended September 30, 2007, it shows that income taxes and other taxes are going up, transfers from the government of Canada are coming down, nonrenewable resource revenue is coming down, and then premiums, fees, and licences are going up. The flip side is in terms of expense. The other things were revenue. Expense is going up by at least \$938 million, so almost a billion. We're comparing the first six months in this budget to the same period in the previous budget. If I look at both curves,

expenses are going up; revenues are coming down. I think that if this trend continues, at one point we might be hitting a deficit, or we might be venturing into deficit territory. I want to seek the reassurance of the President of the Treasury Board as to what he's doing or what cabinet is discussing to avoid taking the province into a deficit situation. That's page 12.

**Mr. Snelgrove:** Once again, Mr. Chairman, it would be a very exciting discussion. We have it in here virtually every day about what we're doing to try and promote a balanced, diversified economy with different revenue streams, whether it's corporate tax, personal tax, the stability of a more appropriate royalty structure. Obviously, we've talked about the proceeds from responsible gaming, licences, and fees. We obviously want more transfers from Ottawa because we're paying such a disproportionate share to the rest of the country. So, of course, we're working on all of those to try and maintain a balanced portfolio if we could, less dependent on resources and more dependent on a diversified, value-added economy.

**Mr. Elsalhy:** Thank you, Minister.

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

**Mr. R. Miller:** Thank you very much, Mr. Chairman. I'm going to start the clock because we know that it's a million and a half dollars every minute that we're debating, a million and a half dollars every minute. We'll just see how long I can talk and how much money we approve at a million and a half dollars a minute. Let me just begin by saying that I'm not proud of that fact, quite frankly. I remember the very first time I rose in this House to speak to a budget, and I said that the numbers made my head spin. Three years later my head still spins. A million and a half dollars a minute.

Mr. Chairman, as was pointed out by my colleague from Edmonton-Meadowlark, this is not the first time that we've had the opportunity in my three years here, three years today – and I would echo my colleague's comments. Congratulations to those of us who are celebrating a third-year anniversary. I suppose all of us in here today are celebrating an anniversary of one sort or another. It's not the first time in the three years that we've stood to debate supplementary supply, and I don't believe it's only the third time. I am quite sure it's probably the fourth or fifth or sixth time already that we've debated supplementary supply, because we usually end up with two of these every year.

I went back and I looked at my comments from the spring, the last time we debated supplementary supply. I indicated at that time, Mr. Chairman, that I was hopeful that that would be the last time that we would stand in this House and debate supplementary supply. The Finance minister had actually made a comment when he was first asked to handle the Finance portfolio, and his comment was – and I'm paraphrasing – something to the effect that he was hoping to bring in a surplus policy that would see an end to in-year off-budget spending. Of course, you'll know that that's something that as the shadow Minister of Finance I've been calling for for three years now.

I was hopeful that the Finance minister would have enough influence in the cabinet and in the government that we might actually not have been here today debating supplementary supply, but as we learned yesterday, when I was discussing resource revenue savings policy, the Premier doesn't always take the advice of his Finance minister. Clearly, he didn't take the Finance minister's advice when it comes to supplementary spending either.

So here we are today with a billion and a half dollars being asked for. We're only – let's see; this is the end of November – seven

months postbudget, and we're already spending a billion and a half dollars above what the budget was. I'm going to guess, Mr. Chairman, that by the time this House sits again in February, there may well be another supplementary spending bill in front of us. I think the President of the Treasury Board should be ashamed that this continues to happen with a government that claims to be more fiscally responsible than the previous administration was. Yet it isn't wholly backed up. I will say that there is less in the way of operational spending being asked for here than we have seen in the past. So I think that maybe with the help of the Official Opposition and groups such as the Canadian Taxpayers Federation we are slowly edging them forward in terms of eliminating this practice. But clearly – clearly – we have a lot of work to do.

I'd like to begin with a couple of generic questions for the President of the Treasury. I would like to ask the President of the Treasury Board how he can assure us that these supplementary supply amounts will actually help the departments to meet their stated performance measures. In other words, is this going to be the last time? Are we going to be back here in February, debating even further supplementary supply estimates because the money that we're giving the various departments today still doesn't manage to get them to where they need to be in terms of meeting their performance measures? So that's the first question I would have for the President of the Treasury Board.

Obviously, this is a question we ask every time. Why did the budget that was passed in April in this House not have sufficient money included in the various places for these departments so that we wouldn't be here? Most of the things that are being asked for in here were perfectly predictable, and it completely defies the purpose of supplementary supply as far as I'm concerned.

4:40

I know, for example, that the Minister of Sustainable Resource Development agrees with me because of his comments that were read into the record earlier today from the survey that went out from the Canadian Taxpayers Federation. The minister, Mr. Chairman, indicated at that time that he believes that this process that we're doing today is undemocratic. He says that it must be stopped now, and I agree with him. So here we are once again with a number of expenditures that are being undertaken. Some have already been undertaken, and the money has been spent without having come to this House first. That is undemocratic, as the Sustainable Resource Development minister pointed out. I think it's worse than undemocratic; it's just plain wrong.

My second question to the President of the Treasury Board, as I said and I reiterate, is: how do we know that by giving this money today, we're going to avoid the need for further supplementary amounts? Has the government established any sort of benchmarks or outcome measurements to determine that, in fact, when we give supplementary supply, it does meet its intended goals? I suppose the cynic in me might wonder once again whether or not this is not just a political move by the government to intentionally lowball their budgets, and then they can announce more program spending throughout the year. In this case it's capital expenditures, but it's the same idea, Mr. Chairman.

Those would sort of be the general questions for the President of the Treasury Board.

Now I get to talk about my favourite subject, and that is the heritage savings trust fund. The Department of Finance is asking for \$825,000 to allocate to the heritage savings trust fund. As the Minister of Education pointed out earlier in the afternoon, the Official Opposition is supportive of the fact that we're putting money into the heritage savings trust fund. You will never see this member stand here and complain about money going into the

heritage savings trust fund. I'm very pleased to see that that's happening. My displeasure, however, as is well known, comes with the fact that we do not have a savings plan for the heritage savings trust fund. What we have is a surplus plan. The two are very different. It might be too fine a point for some members opposite, Mr. Chairman, to understand, but the two are very different.

The Alberta Liberals had a surplus plan three years ago. Three years ago today we went through a provincial election with a very well received surplus plan that allocated surplus dollars and defined exactly where those dollars would go. We recognized, however, particularly in a time of economic boom with unprecedented oil and gas revenues coming into this province, that a surplus savings plan was simply not good enough. It did not accomplish what this province desperately needs; that is, a strategic effort to remove us from the continued boom and bust cycle that we've experienced for so many years and get us past the point where we're so terribly reliant on oil and gas revenues.

We took our surplus plan and turned it into a savings plan whereby 30 per cent of all oil and gas nonrenewable resource revenues would automatically go into savings. Automatically, not wait until the end of the year and see if there's money left over, not wait until the second-quarter update and find out that there is extra money and then you put some of it away but a little bit of self-discipline, a little bit of commitment on the part of the government to say: we're going to save some of this money for later. That has not happened.

So as happy as I am that we're putting \$825,000 in there, I'm displeased that three years on despite the fact that there are many members on the other side who I know personally support the idea – I've read some of the names into the record yesterday; there are others as well – despite the fact that we have a lot of support on that side of the House for a savings plan, we've yet to have one. Interestingly enough, when you go back and you look through the leadership candidates in the PC leadership race last year, all but one of those candidates supported the idea of a savings plan for nonrenewable resource revenue. Unfortunately – and I mean this sincerely – for the province of Alberta the one candidate that didn't support a savings plan is the one who ended up leading the party.

Without any question the Premier of the province has a certain amount of influence over his cabinet members and his caucus members. We now have a person at the helm who does not believe in a savings plan, didn't support a savings plan specifically during the leadership race. Therefore, despite the fact that a lot of the members over there believe we should be saving money for the future, we have a government that is not committed to doing so.

**An Hon. Member:** We are.

**Mr. R. Miller:** No, you're not. You're not committed to taking money off the top and saving it, and that's the problem.

I'm happy that you're taking some of the surprise surplus and putting it aside. That's good. Let's get real about this. Let's get serious about this. Let's start paying attention to chambers of commerce and the Canadian Taxpayers Federation and everybody else out there who's saying that this is something that we should be doing. It's not good enough to wait until there's a surplus and take part of it. It's time to get serious about this.

The other thing, of course, that drives me crazy is the fact that we continue to have a law on the books that dictates that every single penny of revenue generated by the heritage savings trust fund after administration fees are paid and after it's inflation-proofed – and let me point out once again that it was the Official Opposition that called for years and years and years to inflation-proof the fund, and it was finally done two years ago – gets transferred into general

revenue. Then it's only through the largesse of this government that we take some of that money and put it back into the heritage savings trust fund. So the money that we're putting back into the fund, Mr. Chairman, is in fact the same money that was generated by that fund, that was earned by that fund, that was raided out of that fund and put into general revenue.

Now, because the government wants to look good, they want to appear as if they're actually making an effort, they take some of that money, not even all of it – budget documents indicate that about \$1.4 billion will be earned by the fund this year – and they put it back into the fund. Good for them. I'm happy. But I called it a shell game the other day, and I'll do it again. It really is nothing more than a shell game because what you're doing is you're putting a cup over it, you're moving it around, and you're hoping people aren't paying too much attention. Then you say: oh, look, we're going to put \$825 million into the heritage savings trust fund. That's good. As I say, it's good, but it's not good enough.

I think I'll give the President of the Treasury Board an opportunity to respond to my specific questions in terms of the general practice of supplementary supply spending. Then I hope he might also wish to comment on the idea of a savings plan and how desperately I and others believe we need one.

Thank you, Mr. Chairman.

**The Chair:** The hon. President of the Treasury Board.

**Mr. Snelgrove:** Thank you, Mr. Chairman. I'm surprised because the hon. member has consistently been, I would consider, someone who is a fiscally responsible person in the House with his questions and consistently supported a controlled in-year spending saving. When we come back with a supplementary estimate, he knows and all members in the House know that this is not about spending; \$825 million of it is going into savings, exactly what he asks for.

Then he tries to make that something bad, that in the middle of the year we're here telling Albertans we've been able to put another \$825 million into the heritage savings fund. They've got to make a big statement: you're spending a million and a half dollars a minute. We're putting that in the bank. When you talk about \$1.5 billion, you take \$825 million out, and put it in the bank; you take \$408 million out, and you put it into projects that they ask for every day in here to move forward our maintenance programs, to help out with affordable and renewables for housing and things. Of the money, \$200 million, firstly, is into emergencies and things like the pine beetle and forest fires that have to be addressed.

So we come in with the second-quarter supplementary estimates, which is an accounting procedure. We have to tell Albertans where the money is. We're \$77 million lower than at first quarter, and we're \$53 million lower in spending than we budgeted. Yet a question that I would have expected him to ask is: what about the \$15 million in nonbudgetary disbursements? Where's that going?

Well, we're not just into savings; we're into investment. We have started the process to set up AIMCO, which will invest Alberta's dollars into the long-term future for this province. It's good to use your money wisely. It's good to have it available to put into investments. But to simply say to Albertans, "Well, we're going to save it" – you know, a lot of people say when they're gone: boy, I wish I'd spent a little instead of putting it all in the bank. We're saying: let's invest it. Let's take what we can and reinvest in Alberta and in other areas that will provide long-term return to us. So the \$15 million, which I'm sure he would get to as he went through, is basically a loan, an interest-bearing loan to the AIMCO corporation to set up for us to look at if we can better use all of the dollars from the many, many different funds, including the heritage fund, to reinvest.

4:50

But I have to go back because the hon. member brought it up, Mr. Chairman, about his commitment to put 30 per cent of our resource revenue into the bank. Effectively, this year if they had done that, that would have shut the departments off: Children's Services; Employment, Immigration and Industry; Energy; Environment; Executive Council; Finance; Justice; Municipal Affairs and Housing; and/or Service Alberta or the Solicitor General, whoever you wanted. That \$4 billion would have been gone, and those departments or other ones – that would have just wiped out Education except for a little bit or shut down a third of health care. That's an option you have if you want to live under a number that's arbitrary. Let's take a third of something – we don't know what it is – and tell people that we'll put it in the bank. Here are the consequences of saying that's what I would do. Those departments: Solicitor General – I'd shut him down because I like my job – Municipal Affairs, Justice, Finance, Executive Council, Environment, Energy, Employment, Immigration and Industry, and Children's Services.

Albertans expect that when we live in a province like ours, that has been as bust as that, we do provide. We probably provide far more services to people than I personally believe in. I'm more cold-hearted than most people in Alberta. I still believe in the old adage: you get out and work. Get a kick in the butt and do it. That's where I come from. But average Albertans are saying that there has to be a compassionate part of our society, and this government has addressed that, and it's the balance. The Premier talks about the balance.

So you can't pick an arbitrary number and say that one-third will go and tell people somehow in a responsible way that that was doable or even appropriate. Those are the departments that would have been shut down if you'd take it, or mix and match, but that's \$4 billion worth of spending that you would have had to come up with if you were going to put it in the bank to save it for some future. And the future without those departments in Alberta, Mr. Chairman, would be very bleak.

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

**Mr. MacDonald:** Thank you very much, Mr. Chairman. Yes, it'll be as much fun as the time the Minister of Education was in Lethbridge. I happened to be in the city at the same time, and I turned on the evening news, and there's the Minister of Education holding on for dear life. His speaking notes were already in Montana. That looked to be a lot of fun. His feet were just touching the ground; the breeze was that stiff. I just looked at him. His hair was straight back, and I just figured his speaking notes were in Montana.

Now, the first thing that I would like to ask for regarding supplementary supply estimates: on page 6 under Notes is a series of Treasury Board minutes. They are designated here, any number in 2007, but the details surrounding these Treasury Board minutes – yesterday, after this document was tabled, I thought I would go to the Legislature Library and get these minutes. I assumed, Mr. Chairman, that they were publicly available. We all know – we are told – that there has been a new page turned in the history of Alberta, and we now have an open, transparent, accountable government.

**Mrs. Ady:** And we do.

**Mr. MacDonald:** The hon. Member for Calgary-Shaw is assuring me that we do, and I'm really glad to hear that.

So I'm wondering if it's possible if the President of the Treasury

Board could tell me where in the library downstairs I can find these Treasury Board minutes, whether they're publicly available not only to myself but to the taxpayers of Alberta. Certainly, when we look at some of these minutes and the expenses that are associated with them, it would be very interesting to see how these sums were finalized and the rationale behind them, whether it's for Tourism, Parks, Recreation and Culture; Justice; Health and Wellness; Education; Agriculture and Food; or Service Alberta.

[Reverend Abbott in the chair]

You know, there are two here, Treasury Board minutes, for over \$6 million for Service Alberta. The hon. minister in charge of Service Alberta – I'm certain that Steve West would have provided that information to the public. You know, you're following in Mr. West's footsteps from that constituency. [interjection] If you don't, I'm not saying that we're going to phone Mr. West and ask him to take you to the political woodshed or anything like that. But I would be really interested to get those documents and read them on my own time, outlining the reasons why this money was available.

Now, what I did find down there in the library was a series of Treasury Board directives.

**Mr. Liepert:** You've got time to do that.

**Mr. MacDonald:** Yes. Yesterday.

Some of the Treasury Board directives are interesting, particularly the credit card policy directive that's dated the 16th of May, 2007. Initially I thought these directives were the Treasury Board minutes, but they were not. You know, I can see why with the lax, loose manner in which credit cards were being administered by this government, there would be some tightening of the rules, but there are some exemptions. The Legislative Assembly offices are exempt, and also (b) "entities exempted by regulation from sections 37 and 38 of the Financial Administration Act." This is the sort of information, Mr. Chairman, that is available but not the details that I expected. I must say that I'm disappointed, but hopefully these Treasury Board minutes will be provided forthwith in the course of the debate.

Now, going through the details of the supplementary supply budget line by line, I certainly would be interested to know more about the \$30 million to the University of Alberta to upgrade its district utility system. If I could have some more details on that, I would be grateful. With our tight electricity supplies it's reassuring to notice that on occasion the University of Alberta's power plant is supplying electricity to the grid here in Alberta.

**An Hon. Member:** Deregulation.

**Mr. MacDonald:** Deregulation. Yes, hon. member. With deregulation the university is like a lot of other outfits, supplying electricity into a very tight market. If any of that money is being used to help out that power plant, I'm just curious about that.

Now, on the next page, Mr. Chairman, we are looking at apprenticeship delivery here. From the total gross amount of \$30 million to the amount of \$22 million: if I could have an explanation for that, with the credit or recovery of \$8 million, I would be grateful on that question.

Certainly, other people have talked about the supplementary amounts regarding staff recruitment and retention initiatives, whether it's in Fort McMurray or whether it's in contracted agencies around Edmonton. I know it's an issue that we have heard at the constituency office. I'm sure that the hon. Member for Edmonton-Centre has had people come to her office with passionate pleas for

more money so that not-for-profits can retain their staff, particularly to look after Albertans that cannot look after themselves. There is some money in here for that, and I think that's a wise use of public expenditures at this time.

5:00

Mr. Chairman, we're also, as I say, looking at 11 and a half million dollars for school boards in Fort McMurray to facilitate this. Again, the basic education programs – and this will be on page 22, hon. minister – there seems to be a change in the credit or recovery here of \$42 million. If I could have an explanation for this, I would appreciate that.

[Mr. Marz in the chair]

Now, we go on here to some of the immigration policies under Employment, Immigration and Industry. Earlier in question period today we had an opportunity to talk about the former Energy minister Murray Smith and the speech that he delivered in Austin, Texas. I don't know if after he delivered the speech he went to Austin city limits or not. It's hard to say. At the end of his speech in Austin a little over a year ago Mr. Smith talked about the labour market mobility and how we need to continue to tell people how important labour market mobility is. Mr. Smith is putting a rather passionate pitch in here for anyone who is interested to come to the "naturally air-conditioned comfort of Fort McMurray as opposed to this oppressive, humid environment of Austin." Those are the words of the former Minister of Energy in his recruitment drive. He's talking about the temporary foreign worker program and how that may meet some of the needs here.

However, with this budget estimate here, when we're looking at the immigration policy support and the additional \$200,000 here, is that enough to meet the need? There is confusion among those who have temporary foreign worker visas, many of whom do not read or write the English language. Certainly, they're intimidated by their employers. The visa itself restricts and limits them to only that employer. Is this additional amount for the immigration policy support program being used to give advice or show support to those temporary foreign workers who may feel that they need more information about working in Alberta, whether it's information about the Workers' Compensation Board or about their rights under the Employment Standards Code or their rights under the Alberta human rights and citizenship act, or any of those questions that they might have? If I could get some advice from the minister on that, I would be very grateful.

The \$400,000 for workplace health and safety regional services: is that being used to hire additional OH and S inspectors, or is it just to top off the salaries of the ones that are currently employed? Certainly, we just have the one line item on that.

Now we get to the Energy department. I'm pleased to see that there is \$2.1 million going to resource development and management revenue collection. I was astonished, as were a lot of other Albertans, to realize that for a period last year, in the previous fiscal year, we only had one – one – auditor working for a significant portion of 2006 in the production audit group. I believe this was the production audit group that's associated with the EUB. There seems to have been a fire put under the feet of the minister, so to speak, and we have six individuals in there now. Historically I think there were 14 in that production audit group.

When we look at this \$2 million amount to begin implementation of Alberta's new royalty framework, it tells me that we're finally getting started on trying to get some sort of control back into that department. Now, I'm surprised that the government thinks that \$2 million is enough in this case. Perhaps they could take money from

other sources and allocate it to the Department of Energy. I'm sure we could cut the communications budget; we could cut the travel budget of other areas. In fact, last year the travel and communications budget for the government was \$159 million. For 2007 it is anticipated to be about the same, a million dollars more: \$160 million. There's a lot of money there. Maybe we should reduce our travel and communications budget and dedicate the savings to the Department of Energy.

When we look at implementing Alberta's new royalty framework, what we're really saying is that we've got to fix up the messes that have been identified not only in Mr. Hunter's report but also in the Auditor General's report. I don't know which report, Mr. Chairman, to start on. Certainly, Energy's royalty review systems, audits and recommendations, volume 1 from the Auditor General, Mr. Fred Dunn, for 2006-07 I think is a suitable place to start. Now, is this kind of money enough? I don't think so. Whenever we look at this report, we only have to read some parts of it to realize: what a mess; what mismanagement. The current Minister of Energy has a lot of work to do over there. His dilemma reminds me of a political speech I heard recently where a member of the federal House of Commons was commenting upon some of the Conservative cabinet ministers, and he said this: he's the worst minister since the last one.

**An Hon. Member:** Would you say that again, please?

**Mr. MacDonald:** He's the worst one since the last one.

I heard this at a political dinner, and it was in reference to a federal Conservative cabinet minister and his predecessor. I think it was the Foreign Affairs minister, to be precise, Mr. Chairman. Yes, I must admit that I thought of this government.

Now, let's have a look at this, Mr. Chairman, the Auditor General's report. In here he writes:

Since at least the year 2000, the Department identified significant changes in Alberta's oil and gas industry and analyzed their impact on the province's royalty regimes. In general, Departmental staff have produced quality analysis. During this period, the Department has adjusted aspects of its royalty regimes.

It was slow in coming, but the Alberta royalty tax credit was eventually phased out. It's currently a work in progress, but it was a program that cost us over \$7 billion in the last 25 fiscal years.

5:10

**An Hon. Member:** Twenty-five?

**Mr. MacDonald:** Twenty-five. Yes. I didn't go back any further in public accounts. I was going to go back to whenever it started, hon. member, but I just decided that 25 years was enough.

**Mr. Snelgrove:** That's enough. Good. That's enough to have a good vision of the past.

**Mr. MacDonald:** Yeah. But it's \$7 billion. Again, to the hon. minister in charge of Service Alberta, I would remind him that if he is not a student of history – and he says he's not – he's going to repeat the mistakes of these past Tory regimes.

**Mr. R. Miller:** Just look what's happening in Ottawa right now.

**Mr. MacDonald:** Yes. Isn't that an interesting observation by the hon. Member for Edmonton-Rutherford.

I can understand why the Conservatives are reluctant to talk about the past after what is being rolled out on the front pages of the *Globe and Mail* and other daily newspapers across the country. I can understand why this government doesn't want to have anyone look

at its record. I'm sorry, Mr. Chairman, if I'm being distracted by the government members over there.

The Department of Energy "has identified critical issues that have not yet been addressed publicly." Now, this \$2 million is a start on fixing this problem. But the Auditor states:

The Department estimates that it could collect an additional \$1 billion or more per year without stifling industry profitability. However, neither this information nor the reasons why changes have not taken place have been made public.

I wonder if the \$2 million is going to be used to get together a series of royalty reports that the government will not release and send them over to myself and to Sean Kochan from the research staff so we can read them over on our own time.

The Auditor states that readers of his report will ask . . . [Mr. MacDonald's speaking time expired]

**The Chair:** The hon. President of the Treasury Board.

**Mr. Snelgrove:** Thank you, Mr. Chairman. We'll start where the hon. member started but work through the irrelevant parts, though. The Treasury Board minute is the legal minute required for departments to transfer money either from department to department or to move from an allocated expenditure of, say, capital to another one. So that's the legal requirement to do it.

Mr. Chairman, there would be absolutely no point in trying to verify the numbers with the hon. member because his questions and his actions in here – the truth would just get in the way of all he does. There is really no point. He can make the numbers up much better than the truth, so we won't try and verify the numbers.

**Ms Blakeman:** Don't let him just get you annoyed. Come on, give him a challenge.

**Mr. Snelgrove:** No. I give up. Our colleague in the back says regularly: the truth will set you free. He's got a life sentence, I'm telling you.

His question about the central heating at the university was already asked by the hon. member from the third party. It's in fact being put together to try and maintain and keep up to the huge – huge – and appropriate growth at the University hospital here in Edmonton, giving Edmonton, if not the best, certainly one of the best facilities in the world. Albertans want that, Mr. Chairman. They want to have that University hospital, the research that goes with it, the new clinic that's being built, the Cross institute. It's fantastic that they're able to locate there and provide virtually to all Albertans, to a lot of the world, the opportunity to teach and to heal and to look after them. So I know the hon. member would support the expansion and the upgrade of the central heating plant and also because of the sound financial sense it makes.

Then, Mr. Chairman, we got into questions from the hon. member that had nothing to do with the supplementary estimates, but we appreciate his colourful way to appeal to our benches here about his flavour for immigration policies and the advanced ed issues and the questions around subjects that have no relevance whatsoever to the supplementary estimates. We all know his ability to look backwards into Energy and to use hindsight and to use his best attempt at whatever number he wants to pull out of the hat today, whether it's \$7 billion or \$25 billion or \$150 billion. We just wish him luck in keeping track of his birthdays, and that's about it.

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

**Mr. Backs:** Thank you, Mr. Chairman. I'm pleased to rise today.



I'll have a couple of questions, and I'll be brief. One will be to the Minister of Education and one to the Solicitor General.

First off, I'd like to, you know, commend the government for showing restraint this time in supply in a way that I think is very encouraging to the budgetary process and how we look at the budgetary process in the running of our province of Alberta. Of course, there are going to be supplementary items that are involved with things that cannot be controlled, that are beyond the control of the government. Certainly, the government is not going to control wildfires, not going to control flooding, not going to control the way the pine beetle and all the rest of that happens. Certainly, I think the provincial employees in all of the departments' estimates are quite happy to get an increase in their wages that'll be voted in these estimates.

Now, just a question to the Minister of Education. I see on page 21 under School Facilities, the infrastructure spending, there is something over \$97 million there, and it's actually quite welcome by many of the schools that are receiving this funding. In the P3 approach that we're seeing coming around, some of that maintenance will be taken up, and my question would be: would we be avoiding that maintenance cost down the road in future supplementary estimates by the P3 approach and by the ability to have that put over onto a long-term contract where the maintenance would be taken care of?

A second question would be to the Solicitor General, and that would be regarding the sheriffs' branch. I'm not exactly sure where the Legislative Assembly sheriffs come into play in this, but I was just wondering if as a part of the supplementary estimates there is any increased cost from the change from having commissionaires to sheriffs – and I understand we're going to be phasing out the commissionaires pretty much in the near future – and if the use of sheriffs is an increased cost or if there is some other reason for that.

Those are all the questions I have, Mr. Chairman, and that concludes my comments.

**Mr. Liepert:** Mr. Chairman, I'd like to respond briefly to the Member for Edmonton-Manning. I would not want the Member for Edmonton-Manning to confuse modernization with maintenance. In most cases the \$97 million went towards modernization. As an example, in Camrose the \$10 million for the Battle River regional division at the Camrose composite high school was to put the third of three phases of their industrial arts, their heavy equipment training into the composite high school. It's something that has been on the capital plan for quite a number of years, and that's clearly addition to capital.

5:20

In most of the other cases I know, as in the case in Innisfree, that I mentioned earlier – the Innisfree school is kind of a compilation of a whole bunch of additions over years. Due to declining enrollments the school is larger than it needs to be for the number of kids they've got there today. So their project was really to bulldoze down about three-quarters of the school, keep the gym and a couple of newer classrooms, and add a smaller part to the school. That ended up being I think it was about \$4 million or \$5 million.

There were a whole bunch of different kinds of projects, but when we move into the P3 process and we talk about maintenance, we're talking primarily about things like roofs and the changing of boilers. The maintenance there would not be what it was in most of these cases, which was really modernization, maybe bulldozing down part of the school, building part of it back up. As I say, in the case of Camrose it was additions onto their industrial arts area. Each one was a little bit different, but by and large I don't think we could consider the kinds of expenditures that we made, the kinds of

investments we made in August to be taken up in the future by the maintenance component of the P3 project.

**The Chair:** The hon. Solicitor General.

**Mr. Lindsay:** Well, thank you, Mr. Chairman. The hon. member asked a pertinent question. First of all, let me say that the change from reducing some of our commissionaires on-site to sheriffs is not reflected in the supplementary. On a yearly basis it's going to increase our spending there by about \$100,000, but we have that within the existing budget. Let me comment on why we're doing that. We had a comprehensive security review to determine that we required an increased level of security both in the Legislature and on the grounds. As a result some of the commissionaires will gradually be replaced by sheriffs. The sheriffs have the proper training, and they have the authority to ensure a better level of protection for the public, for the staff, and for MLAs.

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

**Ms Blakeman:** Thank you very much for a second opportunity to be able to question the government on its financial decisions and policies and what's there and what's not there. I'm hearing that if you get people riled up enough, they get up and read from their briefing notes, so you get real answers. So I'll do my very best, Mr. Chairman, to get them riled up so that I'll get real answers.

What I tend to do around this is actually do a feedback loop with my constituents about what they think we need to see in supplementary supply and/or other comments that they have around funding from the government. I have a number of different areas that were raised by my constituents, and energy, not surprisingly, was raised a number of times. The specific issues that were raised around energy – and I did go through and try and cross-check to see if anything they were asking about was in here, but frankly some of it is a bit vague, and I can't tell if it's here or not. These debates are about what's in there and what's not in there and why the government made those decisions.

To the Minister of Energy. A concern about peaking oil, the oil and gas resources starting to decline and what the government is doing. His questions are: how will we heat our homes, grow and transport our food, the need to implement renewable energy? Under the Department of Energy I am seeing salary costs and the implementation of the new royalty framework. Under that does any money flow to alternative energy sources? That is essentially my question.

Another Energy question. Actually, several people, including Ryan Warden and also David Smith, asked me about not caving in on the royalty structure. Now, I know the government members feel strongly that they didn't cave in on the royalty structure that came from the Royalty Review Panel, but if we could get more details. If this has already been asked, my apologies. I did step out briefly. I'll take it in writing, then, on what the money is to implement the new royalty framework. There's money going into a number of different votes under the Department of Energy: ministry support, \$25,000; \$3.2 million into resource development and management. How does that all shake down, and what are we doing with new sources of energy?

The other Energy question that I had were concerns that were raised around Bill 46, so I'll raise those at a different time.

**Mr. MacDonald:** No. Go ahead.

**Ms Blakeman:** Well, you know, that is an interesting thing. With

Bill 46 and around the money for that, was there a strategy behind that to save money?

**Mr. MacDonald:** It cost \$500 an hour. It must have come to more money.

**Ms Blakeman:** I'll let my colleague ask you the questions about the \$500-an-hour guy. I'm more interested in the strategy around Bill 46.

Was that partly to save money for the Department of Energy? My understanding was that they weren't actually paying for any of the payment of lawyers and intervenor status, so I'm not sure. Can the minister tell me if there is a link between the Department of Energy budget and trying to save money with the policies that are being implemented in Bill 46?

Under Environment, for the Environment minister, a number of issues have been raised: water quality, and does the province have any piece in putting fluoride in the water? What we have is \$2.5 million requested to provide for a higher than budgeted cost of salary settlements for provincial employees. Okay. Then there are a bunch of different areas where people are getting raises, but it doesn't look like there's any money going into any kind of water quality stuff. The other issues are around the environment and environmental practices with the oil sands and putting pressure on industry to clean up their act, to pressure industry to do that: they need our resources, and if they're good corporate citizens, then they will want to do that.

Air quality. That was the other question. Is anything being done specifically around air quality, particularly when you look at what's being anticipated in Upgrader Alley? Are any special initiatives being expected under that?

The next area is municipal and the questions there. Now, in going through this, I see \$148,700,000 for mostly disaster recovery and flooding: extensive flooding, rain and snowstorm damage, again flooding, groundwater seepage, overland flooding. Okay. It's all flooding. Then \$100 million to municipalities to increase the supply of affordable housing. The issues that have been raised with me around that: homelessness. When I spoke earlier, I was talking about the subsidies that are available for people on AISH. This money that is going out to these municipalities is not likely to actually create any more rental units for us or affordable housing units for us. A hundred million dollars isn't going to go very far when it's spread out amongst all of these municipalities. What other longer range policies does the government have in mind for this? I heard the minister speak about increasing a thousand units or something, but then she wasn't able to back that up with how that was actually going to happen and how new units were going to be created. I'm looking for additional information on that.

5:30

Now, the eviction prevention fund: that's gone over budget. There is an additional \$6.6 million that is being put into that fund, but really this is just subsidizing private landlords. At this point we've now got a system where private landlords can charge whatever they want, and the government will then fund some low-income person to make up the difference in the rent by getting money out of this prevention fund month by month by month and paying it to landlords. I don't understand. How is this the free market? If it's okay to interfere and subsidize landlords directly, why isn't that marketplace interference when putting a temporary rent cap somehow is a terrible interference in the marketplace? You guys seem to agree with marketplace management occasionally but not frequently and sort of pick and choose when you're going to do this.

**Mr. MacDonald:** Why don't you give an example of that?

**Ms Blakeman:** Well, I just gave an example of that where we're subsidizing landlords, but we're not actually creating any tangible new rental units, and we're not subsidizing in some cases, like people on AISH. They're going in the hole between \$300 and \$500 a month, and that's not being paid for out of the homeless and eviction prevention fund.

Then we have \$2.7 million to Alberta Social Housing Corporation for maintenance and renewal work on health and safety issues in three housing projects in Shaganappi Village in Calgary. Now, that's interesting. That's quite specific. Why is that such a specific project? I don't see anything comparable that's happening in, say, Edmonton or Lethbridge or Fort McMurray. I wonder whose constituency that is. Okay. So I had people raise issues both around affordable housing and around homelessness.

Finally, education. Issues were raised around teachers' pay, which I found very interesting. They felt teachers weren't paid enough. I thought the Minister of Education would enjoy that. Yeah. The money here is going to a monthly allowance for employees in Fort McMurray, which will be part of that initiative that the government had that was specific to Fort McMurray.

Higher than budgeted cost of salary settlements: now, that's interesting. How come the government can manage to come through with \$1.6 million for higher than budgeted cost of salary settlements for provincial employees, but they can't manage to do that to the health regions when they settle on a nurses' contract settlement? That was the question I asked in question period today. How come there's an inconsistency in government policy around that? Maybe the President of the Treasury Board can explain that one for me.

The last two ministries to go. Health again, and the minister can supply written answers to me on that one. Drug affordability. We still have a number of people that don't get Blue Cross coverage through their workplace, nor can they afford to do it themselves if they're working low income. So drug affordability has become a huge issue. Also those sort of newer drugs where you can get them on a compassionate program for a period of time. Doctors are prescribing them to people. They're not okayed by the expert drug committee, so now people are out of pocket by significant amounts. There's nothing in here about that. Where can we expect to see some movement on that? Also about funding for coverage of midwifery.

Finally, when I look at page 73 under the culture and recreation portfolio, once again, it's referring to that really generic media release from August 22, which really doesn't tell us what is happening in a given area. I'm wondering if the minister can explain. There's \$26.7 million for additional capital maintenance and renewal of provincial parks and protected areas. Which ones, please? If you could give us the details of what location, what is being done, that would be helpful. I don't know why there's this hide-and-seek. These budget debates would go significantly faster if the government would just provide us with the information.

You know what, Mr. Chairman? They could print it in the book. When I go back and look at the budget documents that used to be given out in the Assembly, you know, prior to 1993, there was information in them. You could actually tell. When there was a lump sum, it was broken down. You could tell exactly where it was going, what program it was supporting.

Earlier in the day I asked the minister of health which programs, which contractors through AADAC were actually getting this money. Well, we get nothing. So I can't tell if the money's going into smoking cessation or youth drinking issues or drug treatment for crystal meth. None of that information is given in the documents,

nor is it given when I ask the question, you know, in the Assembly. This would go faster if we just had the information. It's not that difficult. It really would. I can pretty much guarantee that.

There is \$5 million to complete projects at the Canmore Nordic Centre and at various centennial interpretive centres. Once again, where are the various centennial interpretative centres? What are they? Where are they? How much? Break it down and give us some details on this stuff.

**Mr. R. Miller:** The minister is here. Maybe he'd get up and tell us.

**Ms Blakeman:** Oh, the minister is here. Excellent. Okay.

I do note that in 2005 in a supplementary supply budget the Canmore Nordic Centre was given \$2.97 million. So here we are getting – well, I don't know how much out of that \$5 million is going to the Canmore Nordic Centre. They don't break it out between the Canmore Nordic Centre and the various centennial interpretative centres. But that's very interesting. Two years ago they got almost \$3 million. Now they're getting – what? – another \$3 million. I guess my question is: if this is a project that's worth doing, why isn't it in the budget? Why do we keep seeing this Canmore Nordic Centre, as an example, come up and get money only out of surplus money? I find that a really interesting choice.

Again, if we could get the detailed information under the expense and equipment/inventory purchases section for a breakdown of the \$2.5 million that is requested to support additional capital maintenance and renewal of provincial parks and protected areas as was announced on the 22nd of August but no detailed information was given at that time.

You know, if I go into the detailed vote, it just says: parks, \$1.5 million. That doesn't tell us anything. Under equipment/inventory purchases it says: parks. It doesn't tell us where, why, who, what's being done. Nothing. So I'm happy to get that information. Yeah, I'd like to get some information, please. It would just be so much easier if I could get it.

Thank you.

**The Chair:** The hon. Associate Minister of Affordable Housing and Urban Development.

**Mrs. Fritz:** Thank you, Mr. Chairman. I just wanted to make a brief comment. The question was, I think, regarding the issue of rent supplement and the direct rent supplement program. The housing management bodies throughout our province do administer that program. It's a program that's working well. It's been in place for a number of years. We have enhanced it with additional dollars. As you know, the housing assistance represents the difference between the market rents and 30 per cent of a household's income.

I know that your view is that it's subsidizing landlords. My view is completely different. My view is that when you have – and I've met many, many people, you know, over the past number of months who have truly appreciated this program because if they didn't have the program in place, they would not be able to stay in a home that they've been in for some time, whether that be an apartment or a condo or a dwelling.

**Ms Blakeman:** I didn't say they didn't appreciate it.

**Mrs. Fritz:** Well, that's what I heard. That's what I heard.

The other thing, Mr. Chairman, is that today the referral was to a thousand apartments through the Calgary Apartment Association. I had referred to the Calgary Apartment Association making those apartments available for individuals of low income, that would be

assisted through the Calgary Housing Company with a rental subsidy. It's not that we are going out and building a thousand apartments as a government but more that the Calgary Apartment Association has made them available for low-income people. It was that clarification I wanted to make.

Thank you.

5:40

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

**Mr. Bonko:** Thank you, Mr. Chairman. I'm hoping that we have enough time. Is it till 6, or is it till quarter to?

**The Chair:** Quarter to.

**Mr. Bonko:** Well, then, I'll do my best to make the time that I have . . .

**An Hon. Member:** Profitable.

**Mr. Bonko:** Yes. I'd like to talk on a couple of the ministries, one of which was just up there: the Associate Minister of Affordable Housing and Urban Development. The budget here says that it's \$148,700,000. I'm trying to remember with all the numbers that are being tossed around. In the budget it says \$100,400,000 for municipalities to increase the supply of affordable housing. I'm looking to have maybe a bit of a breakdown as to how much of that's going to be allocated to Edmonton and Calgary specifically, those that house or don't house the amount of people out there. I recognize that the homeless count through the summer, obviously, is going to change, but can you give me some sort of a number as to how much of that \$100,400,000 is going to be directly for Edmonton and Calgary specifically?

We talk about \$9 million for the rent supplement program. The Member for Edmonton-Centre somewhat alluded to it as well. I'm just wondering, you know, what would have been better: to go with the rent cap, the rent freeze, the temporary rent controls, or with this? Have we done, maybe, a comparison to see what would have cost less? We know that we're already over budget with regard to the emergency funding and the rent supplements versus just capping the whole thing. As we say, right now we're subsidizing the landlords. Well, I don't see the whole difference in the other one.

The homeless and eviction prevent fund. Now, I've had a couple of constituents that we have taken down there. This fund hasn't worked for them. In fact, they didn't get the funding that they needed. You go to the office here in Edmonton, and it's absolutely astonishing to see the amount of people that are lying there, that are hoping to get in. It's almost like the passport office, but these guys are hoping to keep their home, not be able to go to another place for a couple of weeks. They're hoping to keep their home. The need in that office is unbelievable. It just seems to be a nonstop revolving door. The need is there. I'm hoping this fund is going to continue because it doesn't look like there's going to be any end to that one. So that is what I wanted to specifically ask on Municipal Affairs and Housing.

The other one was Tourism, Parks, Recreation and Culture. There's \$34,224,000. Again, the Member for Edmonton-Centre asked about it. It specifically talks about the amount that's going to be going into particular parks. Well, I didn't see exactly which parks are going to be spoken about. I'm a person that actually is able to get out and around and do some camping. I don't do the hotel thing. I don't drag the trailer. I do the tent. [interjection] That's right. I do the roughing stuff. When you go to these parks,

they're falling seriously behind what they were, say, 20 years ago. I haven't even got to the fees. They don't even justify being able to camp there, what you get for the \$25. You've got to pay for the wood in some cases, or there is no wood.

But the amount of parks that are in disrepair is just outrageous. I don't care where you go. It does not compare to what we get in British Columbia. I'm going, you know, apples to apples. It's a big difference there. They do in fact put their money into the parks because they realize it is a big tourist draw. We have the mountains. People want to come and see them, but they want to sit in squalor. A perfect example is up in Banff.

#### **Vote on Supplementary Supply Estimates 2007-08 General Revenue Fund**

**The Chair:** I hesitate to interrupt the hon. Member for Edmonton-Decore, but pursuant to Standing Order 62(2) and Government Motion 33, agreed to on November 21, 2007, I must now put the following question. Those members in favour of each of the resolutions not yet voted upon relating to the 2007-08 supplementary supply estimates for the general revenue fund, please say aye.

**Hon. Members:** Aye.

**The Chair:** Those opposed, please say no.

**Some Hon. Members:** No.

**The Chair:** The motion is carried.

Pursuant to Standing Order 62(2) the Committee of Supply will now rise and report.

[Mr. Marz in the chair]

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

**Rev. Abbott:** Thank you, Mr. Speaker. The Committee of Supply has had under consideration certain resolutions and reports as follows.

All resolutions relating to the 2007-2008 supplementary supply estimates for the general revenue fund have been approved.

Advanced Education and Technology: expense and equipment/inventory purchases, \$145,100,000.

Children's Services: expense and equipment/inventory purchases, \$10,000,000.

Education: expense and equipment/inventory purchases, \$110,400,000.

Employment, Immigration and Industry: expense and equipment/inventory purchases, \$5,600,000.

Energy: expense and equipment/inventory purchases, \$3,250,000.

Environment: expense and equipment/inventory purchases, \$2,500,000.

Executive Council: expense, \$575,000.

Finance: expense and equipment/inventory purchases, \$825,000,000.

Health and Wellness: expense and equipment/inventory purchases, \$54,650,000.

Justice: expense and equipment/inventory purchases, \$9,585,000.

Municipal Affairs and Housing: expense and equipment/inventory purchases, \$148,700,000.

Seniors and Community Supports: expense and equipment/inventory purchases, \$15,000,000.

Service Alberta: expense and equipment/inventory purchases, \$4,000,000.

Solicitor General and Public Security: expense and equipment/inventory purchases, \$9,454,000.

Sustainable Resource Development: expense and equipment/inventory purchases, \$152,600,000.

Tourism, Parks, Recreation and Culture: expense and equipment/inventory purchases, \$2,500,000; capital investment, \$31,724,000.

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

**Hon. Members:** Agreed.

**The Deputy Speaker:** Opposed? So ordered.

The hon. President of the Treasury Board.

**Mr. Snelgrove:** Mr. Speaker, I think I speak for everyone on how much we've enjoyed this afternoon here together, but I would now move that the Assembly adjourn until Monday, November 26, at 1 p.m.

[Motion carried; at 5:48 p.m. the Assembly adjourned to Monday at 1 p.m.]