



Province of Alberta

The 27th Legislature
First Session

Alberta Hansard

Tuesday afternoon, May 27, 2008

Issue 25a

The Honourable Kenneth R. Kowalski, Speaker

Legislative Assembly of Alberta

The 27th Legislature

First Session

Kowalski, Hon. Ken, Barrhead-Morinville-Westlock, Speaker
Cao, Wayne C.N., Calgary-Fort, Deputy Speaker and Chair of Committees
Mitzel, Len, Cypress-Medicine Hat, Deputy Chair of Committees

Ady, Hon. Cindy, Calgary-Shaw (PC),
Minister of Tourism, Parks and Recreation
Allred, Ken, St. Albert (PC)
Amery, Moe, Calgary-East (PC)
Anderson, Rob, Airdrie-Chestermere (PC),
Parliamentary Assistant, Solicitor General and Public Security
Benito, Carl, Edmonton-Mill Woods (PC)
Berger, Evan, Livingstone-Macleod (PC),
Parliamentary Assistant, Sustainable Resource Development
Bhardwaj, Naresh, Edmonton-Ellerslie (PC)
Bhullar, Manmeet Singh, Calgary-Montrose (PC),
Parliamentary Assistant, Advanced Education
and Technology
Blackett, Hon. Lindsay, Calgary-North West (PC),
Minister of Culture and Community Spirit
Blakeman, Laurie, Edmonton-Centre (L),
Official Opposition House Leader
Boutilier, Guy C., Fort McMurray-Wood Buffalo (PC)
Brown, Dr. Neil, QC, Calgary-Nose Hill (PC)
Calahasen, Pearl, Lesser Slave Lake (PC)
Campbell, Robin, West Yellowhead (PC),
Deputy Government Whip
Chase, Harry B., Calgary-Varsity (L),
Official Opposition Whip
Dallas, Cal, Red Deer-South (PC)
Danyluk, Hon. Ray, Lac La Biche-St. Paul (PC),
Minister of Municipal Affairs
DeLong, Alana, Calgary-Bow (PC)
Denis, Jonathan, Calgary-Egmont (PC)
Doerksen, Arno, Strathmore-Brooks (PC)
Drysdale, Wayne, Grande Prairie-Wapiti (PC)
Elniski, Doug, Edmonton-Calder (PC)
Evans, Hon. Iris, Sherwood Park (PC),
Minister of Finance and Enterprise
Fawcett, Kyle, Calgary-North Hill (PC)
Forsyth, Heather, Calgary-Fish Creek (PC)
Fritz, Hon. Yvonne, Calgary-Cross (PC),
Minister of Housing and Urban Affairs
Goudreau, Hon. Hector G., Dunvegan-Central Peace (PC),
Minister of Employment and Immigration
Griffiths, Doug, Battle River-Wainwright (PC),
Parliamentary Assistant, Agriculture and Rural Development
Groeneveld, Hon. George, Highwood (PC),
Minister of Agriculture and Rural Development
Hancock, Hon. Dave, QC, Edmonton-Whitemud (PC),
Minister of Education, Government House Leader
Hayden, Hon. Jack, Drumheller-Stettler (PC),
Minister of Infrastructure
Hehr, Kent, Calgary-Buffalo (L)
Horne, Fred, Edmonton-Rutherford (PC)
Horner, Hon. Doug, Spruce Grove-Sturgeon-St. Albert (PC),
Minister of Advanced Education and Technology
Jablonski, Hon. Mary Anne, Red Deer-North (PC),
Minister of Seniors and Community Supports
Jacobs, Broyce, Cardston-Taber-Warner (PC)
Johnson, Jeff, Athabasca-Redwater (PC)
Johnston, Art, Calgary-Hays (PC)
Kang, Darshan S., Calgary-McCall (L)
Klimchuk, Hon. Heather, Edmonton-Glenora (PC),
Minister of Service Alberta
Knight, Hon. Mel, Grande Prairie-Smoky (PC),
Minister of Energy
Leskiw, Genia, Bonnyville-Cold Lake (PC)
Liepert, Hon. Ron, Calgary-West (PC),
Minister of Health and Wellness
Lindsay, Hon. Fred, Stony Plain (PC),
Solicitor General and Minister of Public Security
Lukaszk, Thomas A., Edmonton-Castle Downs (PC),
Parliamentary Assistant, Municipal Affairs
Lund, Ty, Rocky Mountain House (PC)
MacDonald, Hugh, Edmonton-Gold Bar (L)
Marz, Richard, Olds-Didsbury-Three Hills (PC)
Mason, Brian, Edmonton-Highlands-Norwood (NDP),
Leader of the NDP Opposition
McFarland, Barry, Little Bow (PC)
McQueen, Diana, Drayton Valley-Calmar (PC),
Parliamentary Assistant, Environment
Morton, Hon. F.L., Foothills-Rocky View (PC),
Minister of Sustainable Resource Development
Notley, Rachel, Edmonton-Strathcona (NDP),
Deputy Leader of the NDP Opposition,
NDP Opposition House Leader
Oberle, Frank, Peace River (PC),
Government Whip
Olson, Verlyn, QC, Wetaskiwin-Camrose (PC)
Ouellette, Hon. Luke, Innisfail-Sylvan Lake (PC),
Minister of Transportation
Pastoor, Bridget Brennan, Lethbridge-East (L),
Deputy Official Opposition Whip
Prins, Ray, Lacombe-Ponoka (PC)
Quest, Dave, Strathcona (PC)
Redford, Hon. Alison M., QC, Calgary-Elbow (PC),
Minister of Justice and Attorney General
Renner, Hon. Rob, Medicine Hat (PC),
Minister of Environment, Deputy Government House Leader
Rodney, Dave, Calgary-Lougheed (PC)
Rogers, George, Leduc-Beaumont-Devon (PC)
Sandhu, Peter, Edmonton-Manning (PC)
Sarich, Janice, Edmonton-Decore (PC),
Parliamentary Assistant, Education
Sherman, Dr. Raj, Edmonton-Meadowlark (PC),
Parliamentary Assistant, Health and Wellness
Snelgrove, Hon. Lloyd, Vermilion-Lloydminster (PC),
President of the Treasury Board
Stelmach, Hon. Ed, Fort Saskatchewan-Vegreville (PC),
Premier, President of Executive Council
Stevens, Hon. Ron, QC, Calgary-Glenmore (PC),
Deputy Premier, Minister of International and
Intergovernmental Relations
Swann, Dr. David, Calgary-Mountain View (L)
Taft, Dr. Kevin, Edmonton-Riverview (L)
Leader of the Official Opposition
Tarchuk, Hon. Janis, Banff-Cochrane (PC),
Minister of Children and Youth Services
Taylor, Dave, Calgary-Currie (L),
Deputy Leader of the Official Opposition
VanderBurg, George, Whitecourt-St. Anne (PC)
Vandermeer, Tony, Edmonton-Beverly-Clareview (PC)
Weadick, Greg, Lethbridge-West (PC)
Webber, Len, Calgary-Foothills (PC),
Parliamentary Assistant, Energy
Woo-Paw, Teresa, Calgary-Mackay (PC)
Xiao, David H., Edmonton-McClung (PC),
Parliamentary Assistant, Employment and Immigration
Zwozdesky, Hon. Gene, Edmonton-Mill Creek (PC),
Minister of Aboriginal Relations,
Deputy Government House Leader

Officers and Officials of the Legislative Assembly

Clerk	W.J. David McNeil	Sessional Parliamentary Counsel:	Sarah Dafoe
Clerk Assistant/ Director of House Services	Louise J. Kamuchik	Sergeant-at-Arms	Brian G. Hodgson
Clerk of <i>Journals</i> /Table Research	Micheline S. Gravel	Assistant Sergeant-at-Arms	J. Ed Richard
Senior Parliamentary Counsel	Robert H. Reynolds, QC	Assistant Sergeant-at-Arms	William C. Semple
Senior Parliamentary Counsel	Shannon Dean	Managing Editor of <i>Alberta Hansard</i>	Liz Sim

[Errata, if any, appear inside back cover]

Legislative Assembly of Alberta

1:30 p.m.

Tuesday, May 27, 2008

[The Speaker in the chair]

Prayers

The Speaker: Good afternoon.

Let us pray. We confidently ask for strength and encouragement in our service to others. We ask for wisdom to guide us in making good laws and good decisions for the present and the future of Alberta. Amen.

Please be seated.

Introduction of Visitors

Mr. Stelmach: Mr. Speaker, today I have the great honour of introducing to you and through you to all members of the Assembly three very special guests. Actually, four because I see my wife there. It is rare in this Assembly that we've had opportunity to introduce a cardinal and I believe not in recent memory – and yours, sir, is a lot longer than mine – so it is quite a rare occasion. This afternoon I'd like to introduce Cardinal Lubomyr Husar, who is from Kiev, Ukraine. He is a cardinal of the Ukrainian Catholic Churches across Canada and the world. He has spent some time in the United States of America in his studies and is now, as I said, in Kiev.

He is accompanied today by Metropolitan Lawrence Huculak, who is really in charge overseas of all of the Ukrainian Catholic Churches in Canada. He's also accompanied today by Bishop David Motiuk, who is the Ukrainian Catholic bishop for the eparchy of Edmonton. I would ask everyone to receive our special guests very warmly. They are of course accompanied today by my wife, Marie.

I just had a brief chat with the cardinal. He said that he enjoyed for the first time a Canadian breakfast and, of course, lunch with the Premier in our office. We had an opportunity to just talk about Alberta's history and our relationship with the country of Ukraine. With that I would ask this Assembly to receive our guests with a very warm traditional welcome.

Introduction of Guests

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

Mr. Olson: Thank you, Mr. Speaker. I have two introductions to make today. Firstly, I have a wonderful group of students and their teachers and some parents from Norwood Elementary school: a grade 6 class, 35 people in total, visiting from Wetaskiwin. The teachers are Mrs. Hofbauer and Mrs. Shepansky as well as the parents Mrs. Brand, Mrs. Cochrane, Mrs. Zook, and Mrs. Suchotzky. I'd like them to please rise and receive the traditional warm welcome of this Assembly.

This is Wetaskiwin day here because I have another visitor from Wetaskiwin, Carol Anderson. I just had the good fortune of having lunch with her. She was a key person on both my nomination and my election campaign. She is a nurse and a former CEO of the Wetaskiwin Good Shepherd Lutheran Home, so she is a great source of information for me in terms of long-term care issues and so on. She is sitting in the public gallery. If she would please rise, I would ask that she receive the warm welcome of this Assembly.

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

Mr. Prins: Thank you, Mr. Speaker. It's a pleasure for me to rise

today and introduce to you and through you to all members of this Assembly a number of guests who are members of the Lacombe action group, which also includes some members from the Red Deer learning circle. They're up here today visiting with us and enjoying a spring tour with visitor services. I would like to thank them for their work helping people with physical and sensory disabilities in Red Deer and Lacombe achieve a better quality of life.

This group also operates and administers a handibus service. Today's visitors are all part of a learning circle that learns life skills and community inclusion skills. Members of this group also volunteer at the Terrace Ridge school every day, providing breakfasts for any and all students to enjoy. Their leaders are Tamara Noordhof, Christa Brown, and Barb Brassard. They're seated in the members' gallery. I would ask them to rise and receive the warm welcome of this House.

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

Mrs. Sarich: Thank you, Mr. Speaker. It is my privilege and honour to rise today and introduce to you and through you to the Members of the Legislative Assembly 67 students from Edmonton Christian school northeast campus. Several other members and I attended the school's official opening earlier this year. As an added note, this school is the alma mater for the Member for Edmonton-Beverly-Clareview. It is absolutely wonderful to see these students here today touring the Legislature Grounds and learning about our provincial government. These exceptional students are accompanied by teachers Miss Elaine Junk, Mr. Greg Gurnett; and by parent helpers Mrs. Linda Hale, Mrs. Irene Trites, Mrs. Trudy Quartel, Mr. Paul Schoepp, Mrs. Karen Vandermeer, Mrs. Carol Gurnett, Ms Sharon Danylak, Mrs. Luz-Elena Vallejos. I'd ask them to please rise and receive the traditional warm welcome of the Assembly.

Thank you.

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

Mr. Rogers: Thank you, Mr. Speaker. Our Legislature pedway has been a host site for several years for the annual Historica fair, providing an opportunity for students from schools in the surrounding area to present projects celebrating Canada's heritage. Last year the Legislative Assembly of Alberta initiated a new award to recognize Historica fair participants who demonstrate outstanding achievement in celebrating an aspect of Canadian parliamentary democracy, governance, or political history with a specific focus on Alberta.

I'm pleased to introduce to you and through you to the members of this Assembly the winners of this award: three grade 7 students who presented a most spirited and enthusiastic representation of the life and work of the Famous Five. Please join me in congratulating Kelsie Peter, Lakshita Tiwari, and Jessie Grewal from Kate Chegwin junior high school in Edmonton. With the students are their parents Wayne and Melodie Peter, Mrs. Archana Tiwari, and teacher, Mrs. Darien McConaghie. Mr. Speaker, our guests are seated in your gallery, and I would ask them to rise and receive the warm traditional welcome of this Assembly.

The Speaker: The hon. Minister of Tourism, Parks and Recreation.

Mrs. Ady: Thank you, Mr. Speaker. It's with great pleasure and honour that I introduce to you today a delegation from the People's Republic of China who are in Alberta to celebrate the twinning of the Hay-Zama Lakes wildland provincial park in northern Alberta

with the Dalai Lake national nature reserve in Inner Mongolia. Both parks are internationally significant wetlands and protected networks of lakes, land, plants, and animals.

It's an honour to welcome Hu Qun, vice director general of the department of forestry; Wu Liji, head of science and technology, communication and education branch of the Dalai Lake national nature reserve management bureau; Zhang Hong, division chief of the wildlife conservation centre; Bu Tegen, director of the Dalai Lake national nature reserve management bureau; and Zhang Huimin, an assistant research officer. The delegation will be heading to the Hay-Zama tomorrow, and they'll be visiting some of our provincial parks in southern Alberta while on a seven-day study tour. They presented me with this beautiful scarf today, which I thank them for. I'd ask them if they would rise and receive the traditional warm welcome of this Assembly.

1:40

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

Mr. Webber: Thank you, Mr. Speaker. I'd like to introduce to you and through you to all members of the Assembly two constituents of mine from Calgary-Foothills, who I thought were going to sit up in the members' gallery, but I don't see them up there. Oh, there they are right up there. They're a father and son duo, Ron and Joe Semenov, who drove up here today to tour the Alberta Legislature and to see what exactly we do here in the House. Joseph Semenov is a grade 11 student at Bishop Carroll high school in Calgary, which happens to be my alma mater. Joe is one of a select few throughout the world to recently be awarded the gold level Duke of Edinburgh's award. The Duke of Edinburgh's award was established by His Royal Highness Prince Philip, whose portrait we look at every day in the House here. Prince Philip wanted to encourage creative achievement, physical activity, and citizenship among young people between the ages of 14 and 25 years of age. Joe has always shown a strong commitment to community and personal development as evidenced through his participation within leadership positions at both the Westbrook 4-H club and his home parish of St. John the Evangelist Catholic Church. He's an active outdoorsman who likes to hike and canoe, and he's a strong public speaker, and he even plays the saxophone.

Joe's dad, Ron, happens to be a friend of mine. He is a pastoral counsellor with the public and not-for-profit sector. He's a great guy. He helped me during my last campaign. I ask that both Joe and Ron please stand and receive the warm welcome of the Assembly.

Mr. Benito: Mr. Speaker, it is my pleasure to rise today to introduce to you and through you to all members of this Assembly a very special guest from Edmonton-Mill Woods Progressive Conservative Association. With us today is Mr. Ziyad Awad, president of the association and a very good friend of mine. Mr. Awad has an impressive background in public health and microbiology. After studying at the University of the Philippines, he worked with a team of researchers to identify the root cause of infant mortality due to measles and was involved in the design of the primary health care delivery services and staffing of the Al Hammadi hospital in Riyadh, Saudi Arabia. Mr. Awad was instrumental in developing a winning and positive team during my election campaign. I would ask that he now stand to receive the traditional warm welcome of this Assembly.

Members' Statements

The Speaker: The hon. Member for Peace River.

Hay-Zama Lakes Wildland Provincial Park

Mr. Oberle: Thank you, Mr. Speaker. It's my pleasure today to inform this House of the celebration of two very important events in my constituency tomorrow. First, the official dedication of the Hay-Zama Lakes wildland provincial park. This area has long been recognized for its natural, cultural, and environmental significance. Hundreds of thousand of birds migrate through this area each year, including species like the trumpeter swan.

The Dene Tha' First Nation have made their home there and have played a major role in the area's protection. The government of Alberta is proud to support their efforts with the dedication of this park that will represent a unique partnership between industry, the government of Alberta, and the Dene Tha' through an organization known as the Hay-Zama Committee. The committee has been successful in focusing on a common goal shared by diverse groups, and they deserve our congratulations.

Energy companies operating within the park have committed to ceasing operations by 2017, and these companies must be recognized for their strong commitment.

It's amazing what happens, Mr. Speaker, when people work together to achieve a vision, and that brings me to the second item that we celebrate tomorrow. The Hay-Zama Lakes wildland park will be twinned with a park called the Dalai Lake national nature reserve in Inner Mongolia, China. The idea of a twinning was initially raised by Mr. Cliff Wallis of the Alberta Wilderness Association, and it was enthusiastically adopted. We look forward to working together with our friends from China to protect these two sites.

I want to extend a special thank you to our special guests from China that will gather in my constituency tomorrow to join in these celebrations, and I want to thank the Dene Tha' and the Hay-Zama Committee for hosting us this evening and all day tomorrow in what I know will be a great day.

Thank you, Mr. Speaker.

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

Southwest Calgary Ring Road Bridge Planning

Mr. Chase: Thank you, Mr. Speaker. Forty-one years on hold. Over the past 41 years Calgary's lives and southwest drives have been put on hold as successive Alberta provincial governments, our federal counterparts, and the Tsuu T'ina tribal councils have failed to come to agreement over the cost, location, and design of the southwest link of the ring road crossing the environmentally sensitive Weaselhead area, through which the Elbow River flows into the Glenmore Reservoir, supplying half of Calgary's water needs. Wolf has been cried so many times that it is hard not to be skeptical about the most recent musings of our Premier.

Whether or not a deal is imminent, it is absolutely essential that the planning be done right the first time. Given the costly, in terms of time and money, upgrades to Glenmore Trail to avoid the bottlenecking at the bridge over the reservoir, hopefully the current, short-sighted plans involving only a four-lane Weaselhead bridge proposal will be modified to allow for at least a six- or, better still, an eight-lane design. Spare Calgaryans from another flawed bridge design such as the Marquis de Lorne Trail, where motorists were with very little warning forced to merge in order to cross a narrow bridge.

After 41 failed years we don't want to find ourselves in further negotiations over land acquisition to accommodate future traffic demands. A good example of a functional design is the Stoney Trail Bridge, which crosses the Bow River, straddling Bowness park. Its

height allows for wildlife to pass safely under and limits the noise level to surrounding areas. Its arching span does not interfere with the river's flow. Incorporating this type of design while adding more lanes to the currently flawed Weaselhead bridge proposal to accommodate future growth is a must. Calgarians need the road relief. The Tsuu T'ina nation deserves to be fairly compensated both in terms of dollars and land swap for the disturbance and loss which will result. Our water and wildlife require protection. Let's get this deal right for the first and final time.

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

International Children's Festival

Mr. Allred: Thank you, Mr. Speaker. It is my honour today to rise and invite the members of the Assembly and all of our guests that are here today to the northern Alberta International Children's Festival. The northern Alberta International Children's Festival opens today, May 27, and runs until May 31 throughout downtown St. Albert. It's a model of regional co-operation. The children's festival hosts over 450 schools and groups from Red Deer to Fort Vermilion.

The Children's Festival is in its 27th year, and it brings culture to the city and to the province. The International Children's Festival promotes leadership and training to youth, promotes tolerance and understanding, and has vast diversity in programming, with performers from west Africa, Germany, France, Russia, Scotland, Japan, the United States, and, of course, Canada. Today marks the opening of the children's festival, which is designed to entertain children both young and old. In that vein it is interesting to note that the festival kicks off today with seniors' day. The week-long festival has 80 per cent of its tickets prebooked but still has room for drop-ins in some venues.

I'd like to take this opportunity to congratulate the city of St. Albert for their continuing sponsorship of this event.

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

Hockey Championships

Mr. Johnson: Thank you, Mr. Speaker. Hockey is close to the hearts of many Canadians, and this is the time of year when we watch athletes compete for five key coveted championships. We can be proud that many Albertans and, specifically, Albertans nurtured through Alberta college athletic programs are leading at these championships.

Firstly, the University of Alberta Golden Bears again won the Canadian University Cup. This storied Alberta program needs no further mention.

Secondly, the Royal Bank Cup. For the second year in a row the Camrose Kodiaks went to the Royal Bank Cup final, coached by two individuals that got their start coaching at Augustana University, formerly Camrose Lutheran College.

Thirdly, the world championships just ended in Halifax. Team Canada was led by several Albertans: head coach Ken Hitchcock, associate coach Craig MacTavish, and associate coach Mike Johnston, who got his coaching start at Camrose Lutheran College. He also coached with the U of C. Don't forget the starting goalie, Alberta's Cam Ward, and team captain Shane Doan. If you know Shane or you know of him, there's no better person. He's a great Albertan.

The Memorial Cup championship was also just decided. It was won by the Spokane Chiefs. Billy Peters, an Albertan, is the head coach of the Spokane Chiefs. He also played collegiate hockey at

Camrose Lutheran College and at Red Deer College and is a former coach at the University of Lethbridge.

Lastly, the Holy Grail of hockey, the Stanley Cup, will also be awarded in the next week, and the Detroit Red Wings are poised to win it. Head coach Mike Babcock honed his coaching in Alberta with Red Deer College and the University of Lethbridge, GM Ken Holland played his junior hockey in Alberta with the Medicine Hat Tigers, and the starting goalie is Alberta's Chris Osgood from Peace River. And who was wrapping up the broadcast for CBC last night? Kelly Hrudey, Ron MacLean, and Craig Simpson, three Albertans.

In closing, I'm not sure why Albertans excel in positions of leadership, why Alberta's collegiate athletic programs have helped develop this character in so many. Do we breed it, do we develop it, or do we demand it? In any event, Mr. Speaker, we certainly produce it.

1:50

Oral Question Period

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

Contamination by Oil Sands Tailings Ponds

Dr. Swann: Thank you, Mr. Speaker. On Thursday, May 15, in this House I asked the Minister of Environment if the Athabasca River has been affected due to groundwater contamination from oil sands waste products. The minister answered: "There is no evidence to indicate that there is any impact on the Athabasca River as a result of leaching or leaking or emissions from tailings ponds associated with activity in the oil sands." To the minister: does the minister stand by this statement?

Mr. Renner: Well, Mr. Speaker, I would not have made the statement had I not planned to stand by it.

The Speaker: The hon. member.

Dr. Swann: Thank you, Mr. Speaker. A report from independent scientists commissioned by Suncor in November 2007 indicates that the seepage into groundwater from just one, the first tailings pond, Tar Island pond, built in the '60s, is 67 litres per second, over 5 million litres per day. Does the minister actually expect us to believe him?

Mr. Renner: Well, Mr. Speaker, the particular pond that the member refers to is the very first tailings pond that was constructed in the oil sands, about 60 years ago, and the technology has changed dramatically since that pond was put in place.*

The fact of the matter is that there is a discrepancy between the amount of water that goes into the pond and the amount of water that's measured as a factor of some of the reclamation work that goes on. But the fact of the matter is that there is no evidence that any contamination is entering the Athabasca River.

Dr. Swann: My final question is to the Premier. Five million litres a day leaching out of one tailings pond for decades. As the Premier heads to his Premiers' conference, will he admit that his hollow reassurances about oil sands impacts threaten not only the environment and health but an industry and our economy?

Mr. Stelmach: Mr. Speaker, the Minister of Environment gave a very thorough answer to, again, an allegation raised by the opposition. Most of these allegations are totally unfounded, just to try and gain headlines. Here's a jurisdiction, the province of Alberta, that

*See p. 979, left col., para. 15

is leading in terms of greenhouse gas emission reduction: 2.6 million tonnes. That's like taking 550,000 cars off provincial highways. That's the kind of news that we should be trying to communicate to other jurisdictions so that we can share the good things that are happening in the province of Alberta with other jurisdictions.

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

Dr. Swann: Thank you, Mr. Speaker. The standard answer from this government when asked about leaking from tailings ponds is to say that it's captured through seepage collections. This government denies that the Athabasca River has been contaminated over the last 35 years even though we proved last week that oil and grease were directly discharged into the river in September '07. The public trust has been betrayed. Again to the Minister of Environment. This report by groundwater scientists clearly states, and I quote, that process-affected water has escaped seepage collection, end quote, which means that groundwater has been contaminated. Does the minister deny this?

Mr. Renner: Mr. Speaker, as I mentioned, this is a pond that is very old technology. The seepage collection system is in effect in this pond. There is an arithmetic calculation that has been done that indicates that there may be a discrepancy between the amount of water that is in the pond and is coming through the collection system, but if that were to be the case, the amount of water that would be outside of the pond itself would be diluted by a factor of about 40 million to 1.

The Speaker: The hon. member.

Dr. Swann: Thank you, Mr. Speaker. I have the report here to table for the Legislature. The report says, quote: new mines are encountering more shallow sand, so potential for impacts remains. End quote. Does the minister deny these conclusions? Who are Albertans supposed to believe: scientific experts or a government with hollow reassurances and its head in the sand?

Mr. Renner: Well, Mr. Speaker, the technology that's involved in these ponds was explained to me and I think in a very effective way. All of the ponds have a certain degree of seepage because they are located over sand, but there are straws with pumps attached to them, with multiple straws under that, that suck the water out and then pump it back into the top. It was explained to me that it's not unlike when you have a Slurpee and you suck all the water out and you're left with a bunch of dry ice in the bottom of the glass. That is how the technology behind these ponds operates.

Dr. Swann: Again to the Premier, Mr. Speaker. A slide from the report clearly indicates that seepage from this Tar Island dike is hydraulically connected to the Athabasca River. Is it the position of your government that there is no connection between the groundwater and the Athabasca River, no risks to present and future generations? Would you drink this water, Mr. Premier?

Mr. Stelmach: Mr. Speaker, I can assure this House and all Albertans that first and foremost a goal of this government is to protect the environment, in fact even enhance it and secure a much better environment for future generations.

With respect, again, to the allegations raised, I hope the hon. member will take some time and travel down the Athabasca River. A natural phenomenon is occurring, where you can see the oil sands

leaching – I don't know for how many miles – along the Athabasca River. It's a natural phenomenon. It's also in the ground. You know, once again, the allegation is raised, taking just a few words out of a report – just quote, unquote, four or five words – and trying to make the false allegation in the House, questioning the integrity of the report.

The Speaker: Third Official Opposition main question. The hon. Member for Calgary-Currie.

Health System Governance

Mr. Taylor: Thank you, Mr. Speaker. The ministerial orders from the health minister show that the East Central health region will be the focal point for the amended boundaries of the new Alberta health region or new Alberta Health Authority. I guess that's what you call an aha moment. This is curious as not only is this region run by administrators who took over after the sterilization problems in Vegreville, but this is also the region in which both the Premier and the President of the Treasury Board have their constituencies. To the minister of health: why was the decision made to have East Central health as the region selected for the new Alberta Health Authority rather than Capital health or the Calgary health region, both of which are centrally located and more accessible?

Mr. Liepert: Well, Mr. Speaker, as the member will realize, the government some time ago had taken the action to dissolve the East Central board, and this is strictly a legal, administrative way of incorporating the boards. It has nothing to do with it being the constituency of the Premier or the President of the Treasury Board. It was the most efficient way to do it legally and administratively.

The Speaker: The hon. member.

Mr. Taylor: Thank you, Mr. Speaker. Could the minister explain how having only seven members, which is the composition of the interim board, to represent the needs of the nine health regions will provide significant representation until the permanent 15-member board is selected?

Mr. Liepert: Well, Mr. Speaker, the interim board was never designed to represent regions. The interim board was designed to represent Albertans in their health care services. I should emphasize that when we appoint the permanent board of 15, it is not our intention to appoint 15 representatives to represent 15 regions of Alberta. What we want to do is have a permanent board that will operate like a board of directors in charge of a \$13 billion corporation.

2:00

The Speaker: The hon. member.

Mr. Taylor: Thank you, Mr. Speaker. As the new Alberta Health Authority has been given a significant amount of financial responsibility, can the minister explain why the changes to health care were not announced before the budget so that due diligence and debate on the role of this very powerful authority could have taken place?

Mr. Liepert: Well, the very simple answer to that, Mr. Speaker, as I have said in this House on more than one occasion, is we have a very large caucus, and we make our decisions based on a process and a final approval by caucus. It was a matter of getting the initiative right, ensuring that it followed the process, which it did, and that caucus approved it in the end. It just simply took that long.

The Speaker: The hon. Member for Edmonton-Highlands-Norwood, followed by the hon. Member for Cypress-Medicine Hat.

Gasoline Pricing

Mr. Mason: Thank you very much, Mr. Speaker. Over this weekend gas prices in Alberta hit \$1.30 per litre. Working families who have little choice but to use their vehicle to get to and from work are facing another demand on their wallets. Market analysts say that it's speculators that are driving up gas prices and that consumers are being gouged by big oil companies, which made \$7.1 billion in first-quarter profits while regular families searched the couch cushions for change to pay their gas bill. My question is to the Premier. Does the Premier think that it is fair that consumers are paying through the nose for speculation of market players and other big businesses, and if not, what is he going to do about it?

Mr. Stelmach: Mr. Speaker, certainly our government is sympathetic to the ever-increasing cost of energy not only in the province of Alberta but across Canada. This is the question, the conundrum we're going to be facing as the Legislative Assembly. We have a group that wants to put a carbon tax on fuel and further increase the cost and price of fuel to especially our senior population, those that are shut in and living on fixed income, to the agricultural industry, to the manufacturing industry, to the forestry industry. These are significant issues that we will debate here in the Assembly.

Mr. Mason: Mr. Speaker, the Premier had a chance to debate it just yesterday, but they shut us down, so I don't think he wants to debate this at all.

Speaker's Ruling Challenging the Chair

The Speaker: Hold on a second. Nobody shut the member down. There was a ruling from the chair under the standing orders that are provided. The Member for Edmonton-Highlands-Norwood should be very careful and cautious with the words he uses because if in essence he's attacking the chair, we may have an issue.

Gasoline Pricing

(continued)

Mr. Mason: Thank you, Mr. Speaker. I apologize. I don't believe we have an issue. It was the government's position that the debate should not take place, and that's what I should have said. It's pretty clear that the government does not want to have this debate.

I'd like to ask the Premier: if he doesn't think the province is responsible for reining in the high gas prices, just who does he think should do it?

Mr. Stelmach: Mr. Speaker, once again, supply and demand plays a huge role here. It's something that perhaps the hon. member with his particular political philosophy does not understand. This is a serious issue for all of Canada, and that's the position we're taking as the province of Alberta. There are those that want to increase the cost of energy in this province and across Canada. Simply by increasing the cost of energy, they think that people will drive less and, as a result, will reduce greenhouse gas emissions. We're saying that that's the wrong way to do it. Let's lean on research and innovation to bring about real changes in this area.

Mr. Mason: It's pretty clear, Mr. Speaker, that this government doesn't have any plans to do anything at all. I do understand supply and demand. I also understand speculation, and speculation is the

cause of the most recent rises in gas prices. Why doesn't the Premier think that that is something that he's got some responsibility on behalf of the people of this province to deal with?

Mr. Stelmach: Mr. Speaker, the price of energy is a global issue, other than in, I believe, the country of Venezuela where the leader there has stepped in and created a two-priced system, one for the people living in the country and one for export. This is an issue that we're discussing in terms of how we find the balance between reducing greenhouse gas emissions and at the same time finding a way of keeping manageable increases in the cost of energy. The hon. member – I agree with him – is talking about liquid fuel today, car gas. Tomorrow or the day after we'll also be talking about the price of electricity generation, and there will be other discussions that we have, in effect.

Protocol Agreement with First Nations

Mr. Mitzel: Mr. Speaker, Alberta's First Nations and our provincial government have been working on a protocol agreement for a very long time. Therefore, it was welcome news to hear that our Premier and our Minister of Aboriginal Relations signed an official agreement with all three grand treaty chiefs and other chiefs last Thursday. My first question is to the Premier. How will this new protocol agreement address the concerns we continually hear from First Nations in Alberta?

Mr. Stelmach: Mr. Speaker, the hon. member is referring to a five-year agreement that we've signed, a memorandum of understanding with the three grand chiefs of treaties 6, 7, and 8. It stipulates in the agreement that the Premier will meet with the chiefs at least once a year and ministers will meet at least twice a year to talk about the issues and, of course, find some solutions to an ever-increasing challenge we have with the aboriginal nations. We understand that the birthrate in the aboriginal nations is four to five times the nonaboriginal, and we want to give everyone the best opportunity to participate in the quality of life in this province.

The Speaker: The hon. member.

Mr. Mitzel: Thank you, Mr. Speaker. My first supplemental is to the Minister of Aboriginal Relations. What will be the force and effect of this historic agreement in terms of land environment issues that impact the First Nations?

Mr. Zwodzdesky: Mr. Speaker, the protocol agreement is a relationship agreement. It's not a legal agreement as such, but it's the first of its kind with all three of our grand treaties here in the province. It does obligate ministers who are responsible for land, for resource development, for resource management, and myself to meet with the three grand treaty chiefs at least twice a year to in fact give some force and effect to those particular issues.

The Speaker: The hon. member.

Mr. Mitzel: Thank you, Mr. Speaker. My last question is to the same minister. What impact will this agreement have on consultation processes with First Nations, specifically in relation to Alberta's aboriginal policy framework?

Mr. Zwodzdesky: Mr. Speaker, this protocol agreement is actually a good reflection, an extension if you will, of Alberta's aboriginal policy framework in that it provides for continual dialoguing that

helps to improve our consultation processes. It's also unique from the standpoint that Alberta is one of very few provinces in this country to have such an agreement. We're very proud of that because it will help take a giant step forward with respect to consultation processes.

The Speaker: The hon. Member for Calgary-Currie, followed by the hon. Member for West Yellowhead.

Reviews of Health System Governance

Mr. Taylor: Thank you, Mr. Speaker. To the health minister again. In 2005 the ministry of health hired a private contractor to conduct a three-year efficiency review of the nine health regions, a review that has yet to be made public. Since this audit was meant to rein in health care spending, it would seem as if it would be an important element for the minister to fulfill his mandate. To the minister: why was this review never made public, and who is the private contractor that was hired?

Mr. Liepert: Mr. Speaker, I would have to provide the information relative to the contractor to the member at a later time. I will commit to the member that we will make at least a portion of the review public, if not all of it. If there isn't anything in it that shouldn't be made public, I'd be happy to do that.

Mr. Taylor: Thank you to the minister for that.

My next question: will the minister release the findings of a second review of regionalization that his predecessor, the previous health minister, undertook last summer but which also was never made public?

Mr. Liepert: I see no reason why we wouldn't.

The Speaker: The hon. member.

Mr. Taylor: Thank you, Mr. Speaker. Are either of these reviews the basis of the latest changes to health care governance?

Mr. Liepert: Possibly to a degree. But I would say that the biggest factor was input from a caucus of 71, Mr. Speaker.

The Speaker: The hon. Member for West Yellowhead, followed by the hon. Member for Lethbridge-East.

Block Funding for Affordable Housing

Mr. Campbell: Thank you, Mr. Speaker. Affordable housing continues to be a challenge in Alberta. Today Alberta municipalities were told how much capital funding they will receive this year through block funding for affordable housing and how much will be available through the request for proposal process for specific housing projects. My questions are for the Minister of Housing and Urban Affairs. Can the minister tell us what the funding can be used for and how funding levels are set for communities?

The Speaker: The hon. minister.

Mrs. Fritz: Thank you, Mr. Speaker. In today's announcement it was very clear that municipalities will receive block funding. They're also eligible for request for proposal funding on a project-by-project basis, and that's to support affordable housing initiatives. To the member's question: I know he's very interested because we've had this discussion over the past week based on the member's

municipality. This funding can be used for the development of new units, the purchase of existing units, creation of secondary suites, and also rent supplements.

2:10

The Speaker: The hon. member.

Mr. Campbell: Thank you, Mr. Speaker. My first supplementary question is to the same minister. When can municipalities and the nonprofit organizations expect to receive this year's funding, and when might we see actual housing units as a result of this funding?

Mrs. Fritz: Well, Mr. Speaker, I have spoken with the mayor for the city of Edmonton, Mayor Mandel. As well, I spoke with Mayor Bronconnier this morning. I've met this morning with over 50 nonprofit Calgary and Edmonton organizations, the UDI, AUMA representatives, and I want you to know that all were very pleased with this news about this announcement. This question that the member is asking is one that was very much on the agenda today. Municipalities can start submitting their affordable housing plans quickly – I know they will be – and funds will be allocated once the agreements are completed.

The Speaker: The hon. member.

Mr. Campbell: Thank you, Mr. Speaker. My final question is to the same minister. Can she tell us what in addition to today's announcement is being done to help ease the shortage of affordable housing in Alberta?

Mrs. Fritz: Mr. Speaker, you know, through the Assembly, through the budget process we have \$309 million in capital funding, which is up from the \$279 million of last year. We're targeting that development, hon. member, toward an additional 2,200 units this year, which is over and above the 2,100 units last year. We are spending \$45 million in the regional municipality of Wood Buffalo to meet their special needs, \$16 million for off-reserve funding and for aboriginal housing, and another \$6 million for maintenance of existing community housing.

The Speaker: The hon. Member for Lethbridge-East, followed by the hon. Member for Olds-Didsbury-Three Hills.

Bioenergy Project Subsidies

Ms Pastoor: Thank you, Mr. Speaker. A number of biofuel initiatives throughout the province are being subsidized with provincial tax dollars; however, not all biofuel initiatives are as good as they seem. There are questions of cost-effectiveness, unsustainable use of water, and overall long-term viability of the production of fuels from food crops. My questions are to the Minister of Energy. What is the total amount of provincial subsidies going to the biofuel projects which use food crops?

Mr. Knight: Well, Mr. Speaker, we have a number of initiatives in the province that would assist in different phases of both the technical aspects, the research, and construction and ongoing production of biofuel. Off the top, I think what I would say is that globally the Department of Energy has programs that started in the neighbourhood of \$239 million.

Ms Pastoor: Thank you to the minister for that. Given that there are significant questions as to the sustainability of biofuel initiatives

using food crops without tax dollar subsidies, does the minister have any evidence to ensure that these government subsidies are not going towards uneconomical biofuel projects?

Mr. Knight: Mr. Speaker, the issue, of course, with respect to biofuels needs to I think be divided because certainly biodiesel in the province of Alberta is an industry that could and does use food product. With respect to our ethanol production in Alberta, currently the majority of the feedstock for that would not come from food-stuffs or stock from the food processing industry.

Ms Pastoor: Can the minister commit to only subsidizing bioenergy initiatives which have been shown to be cost-effective in the long term, such as biomass initiatives, and not further subsidize wasteful food-for-fuel initiatives?

Mr. Knight: Well, Mr. Speaker, no. I will not. The fact of the matter is that when you look at clusters with respect to that particular industry, there can be some synergies there with respect to feed grains and that sort of thing being used on the front end of these things, and producing biogas and biofuel and electricity out of the cluster. They become, I think, very, very doable, and I believe that there's a good business opportunity for Albertans in that.

The Speaker: The hon. Member for Olds-Didsbury-Three Hills, followed by the hon. Member for Calgary McCall.

Gasoline Pricing (continued)

Mr. Marz: Well, thank you, Mr. Speaker. Recently I travelled to Sandpoint, Idaho, and Spokane, Washington, where I was pleasantly surprised to see that I could fill my tank up for 95 cents a litre. With that, coupled with cheaper hotel costs and our dollar at par, it was no surprise to see an abundance of Alberta licence plates on the highways and in the towns. My first question is to the minister of tourism. What policies is the minister anticipating to attract Albertans to holiday right here at home and attract other tourists to Alberta?

The Speaker: The hon. Minister of Tourism, Parks and Recreation.

Mrs. Ady: Well, thank you, Mr. Speaker. I would like to thank the hon. member for the question. He's right; fuel prices have started to have an impact on the tourism industry. One of the jobs of Travel Alberta is to respond to those types of changes, so they've launched the largest Stay campaign in Alberta that they've ever had to entice Albertans to use what we have here, closer to home. As well, those ads are running in British Columbia, Manitoba, and Saskatchewan, and they show those what we have to offer here. So as families are planning their summer vacation, you know, they might call 1-800-Alberta and see what wonderful things there are to do close to home, which would help reduce their fuel costs and the costs of their holiday.

Mr. Marz: My first supplementary is to the Minister of Energy. Due to the fact that many of the oil companies are American owned, is there any evidence of market manipulation to ensure American consumers pay substantially less than Albertans do?

Mr. Knight: Mr. Speaker, no, certainly. With respect to us looking at market manipulation, that would not be the provincial government that would be involved in that. Of course, that's been done a number

of times by the federal government. To this point in time no evidence has been found with respect to that. The reason for the discrepancy, I believe, is the fact that taxes on gasoline are substantially higher in Canada, generally speaking, than they are in the U.S., and costs to refine and market gasoline are very similar with the exception that in the U.S., generally speaking, transportation costs are lower because there is a lower per-unit cost with higher availability of customers there.

The Speaker: The hon. member.

Mr. Marz: Thank you, Mr. Speaker. Well, if taxes are the main culprit here, my next question is to the President of the Treasury Board. How much room does the Alberta government have to reduce taxes on gasoline here in Alberta to make our prices more competitive?

Mr. Snelgrove: Mr. Speaker, we have a road tax of 9 cents a litre on gasoline in Alberta, and the federal government has a 10-cent excise tax and, of course, GST. But the road tax that we put on has not changed in 16 years, and from that 9 cents we funnel directly to the two main municipalities, Calgary and Edmonton, 5 cents, and we grant the other municipalities the equivalent. We also have the responsibility to build the roads, and this year we will spend close to \$3 billion, including grants to municipalities and our own government road program of about \$1.9 billion. So while it certainly does have an effect on the bottom line of many families, Albertans do want us to maintain their roads.

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

Southwest Calgary Ring Road

Mr. Kang: Thank you, Mr. Speaker. When Calgarians first heard promises of a ring road through Tsuu T'ina land, Mackenzie King was the Prime Minister. Decades have passed, and there have been many, many promises on this issue since then. The Premier is now joining the list. My questions are to the Minister of Transportation. Why should Calgarians believe there is any difference this time?

Mr. Ouellette: Well, Mr. Speaker, we've been negotiating in very good faith with the Tsuu T'ina Nation. They've been negotiating to make sure that their people are looked after, and I think that things are going along just fine. We'll report progress as it gets better, but I honestly believe that we will end up making a deal and we will end up having a ring road in southwest Calgary.

The Speaker: The hon. member.

Mr. Kang: Thank you, Mr. Speaker. Given the lengthy delays in getting this deal, will the government be proceeding with road design as per the current functional plan, or will there be further reassessment and potential changes?

Mr. Ouellette: Mr. Speaker, as you know, when we do make an agreement with the aboriginal community, it has to go to the federal government after that to get approved, and they end up approving it. There's a little bit of time that it takes there, and during that time we will be going ahead with a functional design and plan study.

The Speaker: The hon. member.

Mr. Kang: Thank you, Mr. Speaker. To the minister again: a major concern of Calgarians is that even if an agreement is in place between the province and the Tsuu T'ina, the federal government will take a whole lot more time up getting involved in this, so I would like to know from the minister what he has been doing to ensure the province and the federal government are working as efficiently as possible.

Mr. Ouellette: Mr. Speaker, everyone knows that we can't assure anybody of anything on what the federal government is going to do.

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

2:20 Reclamation of Oil Sands Tailings Ponds

Ms Notley: Thank you, Mr. Speaker. According to a study by the Pembina Institute, at best 14 per cent of the wreckage caused by tar sands development has been reclaimed over the last 40 years. If reclamation continues at that pace, even without further development we won't see the toxic lakes and depleted land reclaimed for another 290 years. This government gives lip service to planning in the interests of our future generations, but at this pace 10 generations from now people will still be asking how they could have let this happen. To the Minister of Sustainable Resource Development: why won't you take action now and ensure that your land-use framework includes clear standards and requires corporations to reclaim as they go?

Dr. Morton: Mr. Speaker, I've had the opportunity to review the recently released report of the Pembina Institute. As usual there's absolutely nothing new in that report. The reclamation plans that are in place today started back in the 1970s with the first site. The reclamation plans as they go forward have been adapted to reflect advances in technology in reclamation. We issued our first reclamation certificate this past winter. I'd be happy to take the hon. member up to Fort McMurray and show her that, in fact, very appropriate reclamation has been achieved on the earlier sites.

Ms Notley: Well, I think it would be a very quick trip given how little has been reclaimed at this point.

To the Minister of Environment. Should development of liquid tailings continue at its current pace, we'll have toxic pools of sludge five times the size of Sylvan Lake by 2020. Will the minister commit today to prohibiting any further development that relies on dumping large amounts of sludge as a way to manage tar sands waste?

Mr. Renner: Well, Mr. Speaker, what the member fails to recognize is that as technology changes, using today's experience to project into the future is not wise. In fact, the tailings ponds that we're dealing with today are the result of mining activity. Most of the new activity in the oil sands is in situ, and in situ doesn't entail tailings ponds, and even the new technology for mining has significantly smaller tailings ponds than what we've seen in the past.

The Speaker: The hon. member.

Ms Notley: Well, thank you. Given the crucial importance of this issue to Albertans now and in the future, why won't the minister commit to transparency by posting conservation and reclamation reports from each company outlining the total number of square kilometres exploited then reclaimed in the northeast?

Mr. Renner: Well, Mr. Speaker, as the Minister of SRD has just pointed out, we issued our first reclamation certificate this year. That's not to say that there are not a number of other projects that are currently under reclamation, but it takes some time. If the member would take the minister up on his invitation, she would see that there are trees that have been growing on that site for a number of years. It takes time from the time you decommission a pond until it becomes eligible for reclamation.

The Speaker: The hon. Member for Lesser Slave Lake, followed by the hon. Member for Calgary-McCall.

Health Services for First Nations Residents

Ms Calahasen: Thank you, Mr. Speaker. On-reserve children deserve immediate coverage of health services, just like other children, but that was not the case for Jordan, a disabled child who eventually died while agencies in another province and their federal counterparts became involved in a jurisdictional dispute regarding his case. It's my understanding that Jordan's principle aims to prevent any further disputes of this nature. My first question is to the Minister of Aboriginal Relations. Will you now support Jordan's principle to ensure that on-reserve children in Alberta will not be compromised because of jurisdictional issues?

Mr. Zwozdesky: Mr. Speaker, let me clarify that the very unfortunate Jordan case occurred elsewhere, not in the province of Alberta. Nonetheless, no person, no child especially, should ever be caught up in a dispute such as has been just related between governments over boundaries or jurisdictions. I certainly do support the child-first concept behind Jordan's principle, and I'll do everything I can to help ensure that children in this province living on reserve or aboriginal children living off reserve receive the kind of treatment they need when they need it.

Ms Calahasen: Well, my second question is to the minister of health. Why did it take so long to resolve what appears to be a commonsense approach for on-reserve children's health services?

Mr. Liepert: Well, Mr. Speaker, I think the Minister of Aboriginal Relations made it clear that that issue is not an Alberta issue. However, I need to make it very clear that First Nations people in this province are Albertans, and all Albertans have access to health care. What we need to ensure, though, is that the federal government has some responsibility for providing health services in dollars for on-reserve First Nations residents. We just had a conference call last night with the western ministers, and this is one of the issues that Manitoba raised and plans to take to the first ministers' conference in Quebec this fall.

Ms Calahasen: Well, Mr. Speaker, it's really wonderful to hear all that, and I'm really pleased to see that.

My third question is again to the Minister of Aboriginal Relations. What assurances can you give to First Nations people that their children living on reserve will receive expedient and equitable services when needed?

Mr. Zwozdesky: Mr. Speaker, this is indeed a very serious issue. On-reserve issues in general are, of course, essentially the responsibility of the federal government. Therefore, I have had two meetings now with my federal counterpart. I have raised these and other issues, brought them to his attention, and I know that they are being acted upon. Alberta is very fortunate to be home to one of the fastest

and largest growing populations specific to aboriginals, and we have to do everything we can to ensure that the children within that framework are given adequate protection, and I'll continue to do that.

The Speaker: The hon. Member for Calgary-McCall, followed by the hon. Member for Cardston-Taber-Warner.

Commercial Vehicle Inspections

Mr. Kang: Thank you, Mr. Speaker. I have asked a few questions on commercial vehicle inspections, and the Minister of Transportation has skipped around the issue. So let's make this clear. Trucks have an annual inspection, and they pass, yet some time later in the year 30 per cent of trucks stopped have to be immediately taken off the road. My questions are to the Minister of Transportation. Why does an annual test not last a full year in so many cases?

Mr. Ouellette: Mr. Speaker, I've explained this a lot of times, and I'm going to try to explain it even clearer today. We do different types of truck inspections. There are the private truck inspectors that he's talking about. That has nothing to do with our road tests or our Solicitor General's people or our Department of Transportation people doing road tests. Those people for years and years and years have always done that. The government of Alberta, the Transportation department has never ever had the type of inspection stations he's talking about. They've always been privatized. They're all across the country that way, all across the world that way, and they do a very good job.

The Speaker: The hon. member.

Mr. Kang: Thank you, Mr. Speaker. I don't think those private inspectors are doing their job properly, sir. That's why 30 per cent of trucks are getting pulled off the road.

Does the minister think that this failure to maintain standards over the course of a year, which happens in 30 per cent of the cases, is happening at a normal rate, or is it the sign of a failure in our system?

Mr. Ouellette: Mr. Speaker, there's absolutely no failure in the system. There are also two different ways that we come up with the figure of what percentage of trucks come off the road. Once a year we have a big random check where we don't use the new, emerging technology. We randomly stop every truck, and then we get a lower percentage of how many are out of service. With the new technology we have today, with our thermal energy imaging unit and things like that, it could come that actually a hundred per cent of the trucks that are stopped would be taken out of service because we see ahead of time whether or not there's a problem with the truck. That's the only one we stop. If you're a truck driver . . .

2:30

The Speaker: It's okay.
The hon. member.

Mr. Kang: Thank you, Mr. Speaker. It comes down to the fact that a 30 per cent failure rate in these standards is just unacceptable. Something is badly wrong. What will the minister be doing to fix this broken, dangerous system?

Mr. Ouellette: Mr. Speaker, as you can see, that hon. member absolutely did not listen to the last answer. What I told him is that

every truck that gets stopped today – if he was a truck driver and he had a truck and he was always in good standing, would he like us to pull him off the road just to check him, waste his time, make sure he doesn't get his product delivered on time? No. We have technology. We watch him going by, and the thermal engine unit picks up whether it's a bad brake, a bad wheel bearing, anything like that. Those are the only ones we stop. So, actually, we could have a hundred per cent out of service in those rates, and that would be us doing a better job for your people that drive trucks.

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

Bioenergy Industry Impacts

Mr. Jacobs: Thank you, Mr. Speaker. Some constituents of mine have approached me with concerns about the bioenergy industry. They've read news stories which state that the bioenergy industry is driving up food prices and that expansion of bioenergy may lead to food shortages. My first question to the Minister of Energy: is bioenergy to blame for rising food prices?

Mr. Knight: Well, Mr. Speaker, again, I think it's safe to say that there are multiple factors that affect the price of food, but from an energy perspective the high cost of oil and the resulting increase in production and transportation costs likely play a significant role in food pricing. Our bioenergy plan has not taken food out of the mouths of Albertans; in fact, it puts more food on the table. Our most recent figures would indicate that over \$850 million of private investment has been planned for bioenergy projects in the province of Alberta.

The Speaker: The hon. member.

Mr. Jacobs: Thank you, Mr. Speaker. My first supplemental to the minister of agriculture: is Alberta's food production being threatened by the growing bioenergy market in the province?

The Speaker: The hon. minister.

Mr. Groeneveld: Well, thank you, Mr. Speaker. The truth of the matter is that very little of our feedstock comes from the bioenergy industry, and it does not come out of the food crops. A paltry 1 per cent of Alberta's available grains and oil seeds are used for bioenergy production. Probably the most significant impact for agriculture is the opportunity for power generation using agricultural waste as the Minister of Energy just explained a couple of minutes ago.

The Speaker: The hon. member.

Mr. Jacobs: Thank you, Mr. Speaker. A final question, again to the Minister of Energy: what is the government doing to ensure that a growing bioenergy industry does not affect the province's traditional agricultural production?

Mr. Knight: Well, Mr. Speaker, again, as I indicated, 90 per cent of our bioenergy feedstock in the province of Alberta comes from forestry and agricultural waste. Through our bioenergy grant programs the government is supporting emerging technologies that include things like gasification of municipal waste and wood waste biomass. Alberta is a leader in the bioenergy industry because of the diversity of the potential feedstocks we have, not because of any dependency on a single one.

The Speaker: The hon. Member for Edmonton-Centre, followed by the hon. Member for Lethbridge-West.

International Drivers' Licences

Ms Blakeman: Thank you very much, Mr. Speaker. People newly relocated here must get and have an Alberta driver's licence, but with a few exceptions someone with an international licence has to surrender that and apply for an exemption on the full graduated licence program, and they can't drive in the meantime. Given the number of adults moving here from elsewhere, there must be a significant number of people now in this situation. My questions are to the Minister of Service Alberta. Why does the province immediately accept and credit someone with a British or Korean driver's licence but not an Australian one?

The Speaker: The hon. minister.

Mrs. Klimchuk: Thank you, Mr. Speaker. With respect to attaining a driver's licence in Alberta, of course, there are rules and things you have to go through to get the licence. If there's a particular instance where somehow needs a driver's licence or we need to check into something, I'd be more than happy to check into that on her behalf.

Ms Blakeman: Yes, Minister, you have some work to do.

There are a number of countries that you have reciprocal agreements with, but with most countries you don't. I'd like to know when the minister will be pursuing those other countries to obtain reciprocal agreements with them.

Mrs. Klimchuk: Well, Mr. Speaker, I'm happy to say that the high standards we have with the issuing of drivers' licences is something that I've become very aware of. With respect to reciprocal agreements with other countries, that is something where we'll continue to work with those countries and continue to do the right thing so new Albertans coming can get their drivers' licences.

Ms Blakeman: Well, Mr. Speaker, to the same minister: how is it helpful, when the province is trying to draw these new skilled and educated workers, to have these people waiting six to eight weeks to get an answer back on whether they can receive an exemption, and that's before they can even start to book the driver's licence test, for which there is an additional three- to four-week wait? So we have these good, skilled people not working, not driving, and waiting almost three months. How is this helpful?

Mrs. Klimchuk: Well, Mr. Speaker, with respect to the process of new people coming to Alberta, if there are some inherent problems that we need to address, I am more than happy to look at those to make sure that the process is fair and that when they come to Alberta, they can become part of the workforce quickly.

Thank you.

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

Call Centre Layoffs

Mr. Weadick: Thank you, Mr. Speaker. A major Alberta employer has announced it will close operations in Red Deer, Edmonton, and in my community of Lethbridge. These closures will result in more than 1,000 Albertans losing their jobs. My first question is the Minister of Employment and Immigration. What is this government doing to help laid-off workers of Convergys?

The Speaker: The hon. minister.

Mr. Goudreau: Thank you, Mr. Speaker. Our staff has already met with officials from Convergys. I understand that there are layoffs, and the people being let go will be staggered. Convergys is committed to helping staff find new employment. They're planning to host job fairs and job-finding workshops. My department will also assist Convergys to carry out those plans by providing them with labour market information and resources. We're also coordinating with local employment agencies so that additional supports are in place if necessary.

The Speaker: The hon. member.

Mr. Weadick: Thank you, Mr. Speaker. That's good news. My second question is also to the same minister. We're in the midst of severe labour shortages in many industries. While some businesses like Convergys are laying off workers, why are others bringing in temporary foreign workers?

The Speaker: The hon. minister.

Mr. Goudreau: Well, thank you, Mr. Speaker. Call centres like Convergys originally moved into Alberta to take advantage of the skilled labour force that we had. Our economy has changed, our labour market is tight, and competition for workers is driving costs up. While Convergys is laying off a thousand workers, Alberta is still expected to be short by 110,000 workers by 2017. We will be helping Convergys staff find new work, but we still need to bring additional workers into the province.

The Speaker: The hon. member.

Mr. Weadick: Thank you, Mr. Speaker. My final question to the same minister: how can we ensure that we can be better prepared for closures like the Convergys closure in the future?

The Speaker: The hon. minister.

Mr. Goudreau: Thank you, Mr. Speaker. Our government has many years of experience and hundreds of staff who help Albertans prepare for the job market, connect them with employers, and help them get the training they need. We also work very directly with Alberta employers on their workforce issues. We help employers find the right people for the job and try to keep them working.

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

Modular Classroom Units for Schools

Mr. Chase: Thank you very much, Mr. Speaker. My questions will be addressed to the Minister of Infrastructure. With the great need for spaces for students to learn, particularly in areas of high growth, it is important that proper planning is done to make sure there is enough space in schools. In 2005-06 alone more than \$39 million was spent on modular classroom additions. Further, in June 2007 a costly P3 approach was announced by the government to build 32 schools using modular classroom units. In many cases modules are being added to schools which are relatively new. To the minister: why haven't real enrolment requirements been taken into account with the very few schools built rather than having to add portables within the first two years of completion?

The Speaker: The hon. minister.

Mr. Hayden: Thank you, Mr. Speaker. In fact, we do take into consideration the number of students that will be in the schools when we design the schools and decide the number of modulars that are required. But with the modulars we also have the ability and flexibility to increase the number of classroom spaces and also decrease those classroom spaces and move those modulars to the benefit of new communities.

Thank you.

2:40

The Speaker: The hon. member.

Mr. Chase: Thank you. Okotoks high school was built 500 students short of space from the very beginning. Given that a significant amount of money is being spent on these modular units, why is it that the department only uses one single-source contractor, which has consistently failed to meet production requirements, instead of a competitive bidding process?

The Speaker: The hon. minister.

Mr. Hayden: Thank you, Mr. Speaker. In fact, in our go-forward plan and with the schools that are under consideration right now, there is an open process for people to bid on the modulars. They all have to meet, of course, the high standard that the province requires them to meet, which is a LEED silver design, and I expect that there will be new people in the marketplace wanting to meet that need.

The Speaker: The hon. member.

Mr. Chase: Thank you. Will the minister table the contract between the government and the existing modular manufacturer to assure Albertans that they are getting the best value for their tax dollars?

The Speaker: The hon. minister.

Mr. Hayden: Thank you, Mr. Speaker. I don't know if, in fact, I have the ability to put that on the table, and I wouldn't do anything that would jeopardize the province getting the absolute best deal that we can for Albertans and their students.

The Speaker: Hon. members, that was 102 questions and responses today.

The hon. Minister of Environment wishes to have an opportunity to supplement an answer to a question raised by the hon. Member for Calgary-Mountain View. Our tradition is that should I recognize the hon. Minister of Environment, the other member will have an opportunity to raise a question. So the hon. Minister of Environment.

Water Quality of Athabasca River

Mr. Renner: Thank you, Mr. Speaker. In answering the question from the Member for Calgary-Mountain View regarding the original tailings pond of Suncor, he pointed out – and it's correct – that this was built in the 60s. I talked about old technology, and I said that it was 60 years old. It's in fact 40 years old. That's not what I stood up for. My math is just bad.*

What I failed to point out to the member, and I think it's critical and should be on the record, is that this particular tailings pond is no

longer in use. It's being decommissioned. There are no new fluids, no current fluids from operations going into this tailings pond. In fact, water is being removed from this pond into one of the newer technology ponds. This pond will be, obviously, the first pond that will be reclaimed, and it should happen within the next few years.

The Speaker: The hon. deputy leader.

Mr. Taylor: Thank you, Mr. Speaker. I think the minister just answered the supplementary question that I was going to add. I was just trying to find out what the timeline is for draining that pond.

The Speaker: Okay. Before we move on, might we revert briefly to the introduction of guests?

[Unanimous consent granted]

Introduction of Guests

(continued)

The Speaker: The hon. Minister of Agriculture and Rural Development.

Mr. Groeneveld: Well, thank you very much, Mr. Speaker. Today it gives me great pleasure to introduce to you and through you to the Assembly 46 what we always call bright students from Cayley school in my constituency. These students are not only bright; they're very innovative. Talk about a green school. This school uses wind – and I don't know if they're hooked up to solar power at this time yet – to offset some of the power costs of their school and, particularly, their gymnasium. They just do some amazing things, and their principal and the school itself have been nominated for many awards.

Today I would like to introduce Mr. Bill Holmes, the principal; Mr. Wade Breakey and Ms Cindy Frisk, teachers; and parent helpers Mr. Ed Armstrong, Mr. Dale Hazelwood, Ms Karen Leech, Mr. Tom Riehs, Ms Cathy Couey, Ms April Russell, Ms Angela Howe, and Mr. Ewald Granson. I would ask them to rise and receive the warm reception of this Assembly.

The Speaker: Hon. members, in 30 seconds from now I'll invite the first of two additional members to participate in Members' Statements.

Members' Statements

(continued)

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

WorldSkills Calgary 2009

Mr. Webber: Well, thank you, Mr. Speaker. Every two years over 900 of the best young professionals from trades, service, and vocational programs from all over the world gather to showcase their talents and abilities. It all began back in 1950 in Madrid, and many credit Spain as the founder of the international organization responsible for WorldSkills. I am proud to say that beginning September 1, 2009, Calgary will host the 40th WorldSkills competition, a six-day competition at Stampede Park that is the biggest event of its kind in the world. In the 50-year history of the WorldSkills competition Calgary is only the third city in North America to host this amazing collection of talent.

The WorldSkills competition sets world-class standards in over 40

*See p. 971, right col., para. 11

skill categories ranging from welding to cooking to autobody repair to plumbing to carpentry, cabinetmaking, brick masonry, landscape gardening, and even web design to name a few. This competition draws hundreds of thousands of visitors, including policy-makers, government representatives, employers, teachers, trainers, and experts from around the world. It will bring together more than 3,000 volunteers to ensure that every detail of the planning and launch of this compelling six-day event is in keeping with the grandeur that is part of its historic legacy.

Yet WorldSkills is more than a challenge between aspiring professionals. It is a unique not-for-profit, nonpolitical, nondenominational association whose members are responsible for promoting vocational education and training in their respective countries. In fact, over its 57-year history the WorldSkills competition has come to symbolize the pinnacle of excellence in skilled trades and technologies training. WorldSkills serves to remind us that skilled trade and vocational professionals continue to play a critical role in the success of the modern global economy.

Individuals that will represent Canada at this 2009 WorldSkills competition will be selected at the Canadian Skills Competition, which ends today in Calgary, Mr. Speaker.

Thank you.

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

Calgary Public Library Centennial

Ms Woo-Paw: Thank you, Mr. Speaker. It is a pleasure to stand in the Assembly today to mark the centennial anniversary of the Calgary public library. Libraries are one of the most important institutions found in our democracy. They serve as repositories for learning and technology and, as such, have become important safeguards against ignorance and conformity. The institution of libraries is an indication of how much a democratic society values the ideals of justice, truth, education, and culture. They are vibrant components of any community, providing social access points for surrounding events and local histories.

Yesterday the Calgary city council formally recognized the Calgary Public Library Board for 100 years of service to the community. Due to the successful petition campaign of the Calgary Women's Literary Club to bring library services to Calgary in 1906, the Calgary Public Library Board was formed in May 1908 with a mandate to build and operate Calgary's and Alberta's first public library. The first library was opened as Central Park library in 1912 and stands today as an historic site. Today Calgary has 17 public libraries. It is the second largest in Canada and the sixth largest in North America.

More than 500,000 Calgarians are library cardholders. That is 72 per cent of Calgary households. Calgary's public libraries are the city's most-used public institutions, visited more often than other cultural and recreational facilities combined. The library receives over 5.5 million in-person visits each year. Mr. Speaker, the Calgary public library has received numerous awards for its outstanding efforts in addressing issues of accessibility and diversity. Our libraries have truly served as an integral community hub for the citizens of Calgary, and they're recognized as leaders and collaborative community partners.

Public libraries are an intrinsic service that answers the educational and economic needs of any Alberta community. I wish to congratulate all the people who have made the Calgary public library a success.

Thank you.

Presenting Reports by Standing and Special Committees

Dr. Brown: Mr. Speaker, the Standing Committee on Private Bills has had a certain bill under consideration and wishes to report as follows. The committee recommends that the following private bill proceed with amendments: Bill Pr. 1, the Young Men's Christian Association of Edmonton Statutes Amendment Act, 2008. As part of this report I will be tabling five copies of the proposed amendments. I request the concurrence of the Assembly in this recommendation.

2:50

The Speaker: This is a debatable request. Any, or should I call the question?

Hon. Members: Question.

The Speaker: Would all members of the Assembly who concur in the report please say aye.

Hon. Members: Aye.

The Speaker: Those opposed, please say no. The report is carried.

Presenting Petitions

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

Mr. Taylor: Thank you, Mr. Speaker. I present petitions today signed by a number of Albertans from places like Edmonton, St. Albert, Sherwood Park, I believe, Willingdon, and a number of other communities across the province that reads as follows:

To the Legislative Assembly of Alberta . . . We the undersigned residents of Alberta, petition the Legislative Assembly to urge the Government . . . to commission an independent and public inquiry into the Alberta Government's administration of or involvement with the Local Authorities Pension Plan, the Public Service Pension Plan, and the Alberta Teachers' Retirement Fund.

Thank you, Mr. Speaker.

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

Mr. Kang: Thank you, Mr. Speaker. I, too, have a petition signed by concerned Albertans to

urge the Government of Alberta to commission an independent and public inquiry into the Alberta Government's administration of or involvement with the Local Authorities Pension Plan, the Public Service Pension Plan, and the Alberta Teachers' Retirement Fund.

The Speaker: Are there others? The hon. Member for Lethbridge-East.

Ms Pastoor: Thank you, Mr. Speaker. I, too, have a petition signed by Albertans from Edmonton and Calgary, asking that there be a public inquiry into the government's "involvement with the local authorities' pension plan, the public service pension plan, and the Alberta teachers' retirement fund."

Tabling Returns and Reports

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

Ms Notley: Thank you, Mr. Speaker. I'd like to table the appropriate number of copies of a report on oil sands reclamation released

yesterday by the Pembina Institute. The report was mentioned in my questions, and it shows that the oil sands create toxic tailings at an astonishing rate.

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

Ms Pastoor: Thank you, Mr. Speaker. On behalf of my colleague from Calgary-Mountain View I would like to table two reports today. The first one is a presentation by Suncor to the community of Fort Chipewyan on May 6, 2008, detailing the sequence of events that led to a release into the Athabasca River of 1 million litres of oil and grease in September '07.

The second report was prepared by six independent experts, confirming groundwater contamination due to seepage from tailings ponds. The report was commissioned by Suncor, and the independent expert panel consisted of scientists from the University of Waterloo and independent engineers.

The Speaker: Hon. members, pursuant to section 39(3) of the Legislative Assembly Act the chair would like to table with the Assembly the appropriate copies of orders that were passed at the May 21, 2008, meeting of the Special Standing Committee on Members' Services, namely Members' Services Committee Order 1/08, members' group plans amendment order, which came into force on April 1, 2008; Members' Services Committee Order 2/08, the transportation amendment order, which came into force on May 1, 2008; and Members' Services Committee Order 3/08, the members' committee allowances amendment order, which came into force on May 1, 2008. I will be providing to all members today a copy of these orders via the mail.

Tablings to the Clerk

The Clerk: I wish to advise the House that the following documents were deposited with the office of the Clerk. On behalf of the hon. Mr. Horner, Minister of Advanced Education and Technology, a report, undated, entitled Building an Integrated Knowledge Economy: An Updated Information and Communications Technology Strategy for Alberta, prepared by Alberta Advanced Education and Technology.

On behalf of the hon. Ms Redford, Minister of Justice and Attorney General, responses to questions raised on May 7, 2008, Department of Justice and Attorney General 2008-2009 main estimates debate, by Ms Blakeman, hon. Member for Edmonton-Centre; Mr. Hehr, hon. Member for Calgary-Buffalo; and Ms Notley, hon. Member for Edmonton-Strathcona.

Orders of the Day

Government Bills and Orders Second Reading

Bill 22 Appropriation Act, 2008

The Speaker: The hon. President of the Treasury Board.

Mr. Snelgrove: Thank you, Mr. Speaker. It is my pleasure to rise today to move second reading of Bill 22, the Appropriation Act, 2008.

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

Mr. Chase: Thank you very much. It's rather late in the process, given the discussions that have preceded, but I'll talk about some of

the areas that I would like to see funded or funded to a greater extent. I'll start off with education, beginning with education infrastructure. We have waited for a resolution of the school shortage for a number of years, 14 years to be exact. There has been very little progress made since the cutbacks in 1994.

[Mr. Mitzel in the chair]

The government has built very few schools in that interval in the traditional manner and has now gotten into the questionable business of contracting out private loans that basically are 30-year mortgages to build P3 – or private, for profit, at public expense – schools. This is a concern for myself because it has been indicated through studies from the Canadian Union of Public Employees that these schools are considerably more expensive than schools built in the traditional manner. The fact that we will continue having to be responsible for paying for them 30 years into the future, when our own nonrenewal resource singular revenue proposals may not be able to meet the bills, is a concern that I have.

Thirty-two schools we're still waiting for. I gather that sod has been turned and stakes have been indicated where these schools at some distant time in the future will take residence, but there's no direct indication in this particular budget for either of those particular schools' construction, because it seems to be a floating target, or other schools that are badly needed such as high schools and junior highs. The 32 schools are basically of the elementary variety. This is a budgetary concern that I would hope to see addressed.

Another concern that I have not only with new school construction is the infrastructure deficit that is facing school boards throughout this province. In the city of Calgary alone we are approaching over a \$700 million combined Calgary public and separate deficit for schools that have not been kept or maintained due to a lack of operational funding to repair roofs, keep boilers up to speed.

A concern that is recurring because the average age of Calgary schools is 40 years – and it's older in Edmonton – is the business of asbestos. With each of the leaks that numerous roofs, as many as 60 last year, experienced, asbestos tiling not only in the ceiling but in the pipework has been exposed. Therefore, the potential threat to students, to staff, and to tradespeople who come into contact with the clean-up – the tradespeople, that is – of this asbestos is a growing concern, and it's going to be a very expensive concern. The Calgary board of education has had its first long-term employee die from the fibres associated with asbestosis, and other individuals have been diagnosed with this terrible disease. So putting students and staff at potential risk because of a failure of this government to properly fund school repairs is a tremendous concern.

Again, because schools aren't being built and with the rising cost of gas, we have students in the Calgary school system spending up to a 100 kilometres per day at considerable expense when it comes to fuelling those buses. This money is being basically burned, wasted, instead of having local schools where students could attend.

The failure to plan based on the Learning Commission's recommendations with regard to the spatial concerns that determine whether or not a school will be closed is of great concern because the government at this point has not matched the recommendations of the Learning Commission with the actual construction of new classrooms. Although the pupil-teacher ratio has begun to be reduced, classroom sizes do not reflect that reduction, and therefore students continue to be crowded into limited spaces. Having taught students in overcrowded spaces myself, as many as 40 grade 9 students in a single classroom, I know how difficult it is to face those crowded conditions, that no businessperson would put up with.

3:00

When it comes to the funding for nutrition programs in schools, it's basically nonexistent. We count on the philanthropy of groups like Meals on Wheels, that has a duck soup program, that offers some assistance to students, but more than 13 schools are on the waiting list. In this House we've talked about the need for nutrition. You can't learn if you don't have a full stomach, and therefore we have pushed for nutrition programs, especially for low socio-economic schools.

We've also indicated – and I connect this with the other ministry that I represent, and that's children services – the fact that if we had junior kindergartens, if we had full-day kindergartens, there would be child care spaces open to a great extent to assist not only before and after school programs but programs involving preschool children as well. This would be a tremendous benefit to Albertans. As I have pointed out frequently in this House, over 64,000 children fall into below the poverty line existence, and in this rich province that is not acceptable.

Moving on to municipal affairs and housing concerns, when we debated the housing issues, it came out that only \$5.1 million was set aside for people with mental and physical disabilities whereas \$48 million was set aside to promote horse racing. Now, this juxtaposition of abnormalities is not acceptable. How is it that people who are most in need of support receive less attention in terms of meeting their specific housing needs than horses do? I've gone out to Spruce Meadows, and I've seen the care with which that organization looks after their horses. Unfortunately, I would suggest that it's a higher accommodation than what is provided for a number of our people at the lowest rung of the poverty level.

Housing continues to be in shortage with the government's refusal to enact either condominium conversion moratoriums or to take a real stand on rental issues, a rental freeze for example. While accommodation has increased from approximately .5 per cent, as was the case last year at this time, to about 2.5 per cent, people still can't afford those accommodations, and the government has yet to address the fact that more and more people continue to find themselves on the streets without the support.

In terms of shelters, it was noted that over 13,000 women had been accommodated in shelters last year; an equal number or more were turned away from shelters. Again, because I represent both education and children's services, the effect on children of having to go through a family violence or breakup circumstance and then finding themselves turned away from a shelter, being forced to go back to the house where that conflict arose: this is not a way to be treating any child, never mind an Alberta child, in Canada's wealthiest per capita province. This is a shame, and it needs to be resolved.

It is unfortunate that we continue to rely on shelters. However, the government has taken some initiative in terms of the hardest to house individuals and has embarked in a program similar to that of other cities, including Toronto, and in the United States New York and Portland, Oregon, being among the best examples, where 24/7 care is provided at one-third of the cost to the individuals who are hardest to house due to addictions, mental disabilities. Also, the landlords are being compensated. That is a very positive first move, but it's just at its very beginning stages, and we have to progress to a much greater extent.

When it comes to providing care, I have asked numerous questions in this House as to why, for example, the government will not standardize the wages of all individuals providing care. It seems that if you're under the government's direct umbrella, you can make twice the amount you would in a contracted-out agency, and that has

led to the government poaching individuals from its contracted-out agencies.

The individuals who are being cared for, whether they be children, whether they be individuals with disabilities, whether they be individuals on AISH. The fact that the amount of money set aside for their care is so limited – in the case of AISH recipients approximately \$1,100 a month with small subsidies for transportation – and the caregivers are faced with living in similarly poverty-stricken considerations even though they may have a social worker's degree: this is of great concern. The people – the children, the disabled, the ones most vulnerable – are the ones whose needs are not being addressed in a significant manner by this government. Sustainable funding, recognition that we need to support individuals, whether they be seniors who would like to remain in their houses – with government support and subsidies for programs like Meals on Wheels or Victorian Order of Nurses, this kind of support would help keep individuals there.

The fact that seniors continue to take up space in hospitals, where the cost for care approaches \$1,000 a day, versus having a residence in a long-term care facility that has a sufficient number of staff members to meet their concerns continues to cause problems for this province. It seems that we spend great amounts of money to correct problems that proactive, pre-emptive planning would cure. Of course, as I say, by bringing back the New York plan for approximately \$35,000, we can save over \$100,000 in terms of incarceration, in terms of hospitalization, in terms of working with the law, in terms of paramedics out trying their best to protect these individuals and literally harvest them from the streets, as was my experience when I rode this past winter.

The government has so many opportunities, given the value of our nonrenewable resources, to do things right, yet the government continues to squander the possibilities.

With the little time remaining I'll move on to tourism, parks, and protected areas. The damage that has been done in past years and continues to be done in our so-called protected areas is an extremely costly affair. The amount of money that it has taken to reclaim Ghost-Waiparous, that it has taken to reclaim Indian Graves, that it will take to reclaim McLean Creek is absolutely unnecessary. If the government carefully designated trails, all-terrain vehicles could be accommodated on existing cutlines, but those trails would have to be maintained, and they would have to be appropriately signed, and there would have to be enforcement to ensure that people didn't wander and maraud off these existing trails. No one is suggesting that ATVs should not be permitted, but they cannot co-exist in our current multi-use scenario, that would allow them to operate tearing up meadows, creating mud bog situations. If people consider this entertaining, let us restrict that entertainment to designated areas as opposed to further tearing up pristine wilderness.

3:10

Now, while the ATVs cause concern when they're not driven responsibly or without helmets – and we've seen the number of children who have suffered as a result – a greater concern of mine has to do with sustainable resource management, and that's the fact that clear-cutting is still a preferred method of dealing with a number of environmental concerns. Clear-cutting has been encouraged, tolerated, put forth as a way to combat pine beetles, even though the areas that have been selected for clear-cutting have tremendous impact on the watershed. This is the case in Ghost-Waiparous, Sibbald Flats, and on the edges of K Country, whereas I have mentioned before that areas of the Canada trail have been randomly cut.

The extra costs to Calgarians because of the lack of watershed

protection, the silt that flows into the rivers with this recent flooding, that we've experienced and will continue to experience, based on several tonnes of unmelted snow yet to hit these rivers and swell them to overflowing: this is just one example of where pro-actively buying back our watershed, protecting it, turning it into a park area with restricted use would accomplish a double benefit. First, we'd protect our watershed, which is number one in importance. Secondly, we would also have a chance to preserve wildlife and offer a legitimate recreational use. There's no point in creating more parks if we don't provide a sustainable management plan for those parks. As I've noted previously and expressed concerns over, of the over 500 parks in protected areas we have fewer than 45 management plans.

Now, the Minister of Sustainable Resource Development brought in a land-use framework guide, but it appears that it will take another three years before those recommendations are implemented and, therefore, as has been noted, the possibility of a free-for-all in that time period.

We have a great potential in this province, but if we don't protect that potential to a greater extent, whether it be in the boreal forests north of Fort McMurray, where approximately a fifth to almost a quarter of our province is being sacrificed, if we don't recognize the need for stronger places for postsecondary students to receive an education, if we don't preplan, then these resources that are so important to us, whether of the land or air or water variety or of the human potential, will be lost. Later on this afternoon when we're talking about TILMA, I will be pointing out the difference between the number of students on a per capita basis that can be accommodated in British Columbia's postsecondary institutes compared to our own Alberta institutes.

We have in Alberta – I'll repeat myself – a terrific opportunity. We continue to have – and it's been projected into the future – billions of dollars of legitimately extractable nonrenewable resources if we manage them; and that's the case. But if we surrender our environment – our water, our land, and our air – for a quick buck in the hopes that we can extract these resources before the world finds alternatives, then we're in trouble.

The Acting Chair: Any other members wish to speak? The hon. Member for Calgary-Mountain View.

Dr. Swann: Thank you very much, Mr. Speaker. A pleasure to rise and speak for the first time to the appropriations, Bill 22. While my hon. colleague from Calgary-Varsity has touched on some of the issues that I feel very strongly about as a member of the Legislature, my constituents remind me daily if not weekly about the environment as an important issue for them and for their future. As the opposition critic for Environment, SRD, and aboriginal issues, I am certainly interested in how we as a government decide to spend our budgets and what our priorities are.

I guess the overarching framework in which I approach this question is: what is the goal of government? What is our responsibility in terms of managed growth, social supports, and a viable, sustainable environment? Clearly, Mr. Speaker, we haven't got that balance right yet, and maybe one never does. It's always a work-in-progress. But what I see is a consistent pattern in this government of making short-term local decisions as opposed to long-term decisions with a global moral conscience.

As we've seen in the last few years, with significant increases in budget expenses and almost nothing to savings we are basically shortchanging future generations. We are borrowing the future from our children, and clearly our decisions, especially on nonrenewable resources, should be reflecting a much bigger commitment to the

challenges they are going to be facing in the future without oil and other fossil fuels as the mainstay for this economy.

When I refer to responsible growth, I do refer to understanding the environmental carrying capacity of developments in a certain area. We're finally moving towards cumulative impact assessment. This has been advocated for over a decade and has been used especially in the U.S., yet we're still catching up and trying to move forward legislation that is now in the draft stage after 15 years, attempting a more sustainable approach to land development based on good science, public values, and a long-term view rather than short-term gain, especially with the oil and gas sector but also in some of the other sectors that we do rely on for some jobs and our economy.

That brings up the issue, I guess, of how this government defines the public interest. Unfortunately, the narrow definition of public interest in this government is short-term economy and jobs. That is not acceptable to Albertans. It's not acceptable as global citizens that we're not stepping up and taking responsibility for moving us into the 21st century, whether we're talking about investing in more energy efficiency and clean renewables in some of the geothermal and organic waste energy generation that's possible and that's happening around the world, some of the breaking technology in solar energy where we in Alberta have the most to gain in terms of resource.

We could be building homes and offices that are off the grid today if we actually invested up front in some of the known technology, and as government we could be paid back for the savings that we're making on those investments up front. The individual or the business or the institution could take the benefit of these new technologies by having the government support the investment, and the government then could take back the savings in terms of reduced fossil fuel use. It would be a win for the environment, a win for businesses, and a win for the economy because we would be developing leadership in these technologies. We would be exporting the technology. In fact, we would not be burning our own fossil fuels here. We would be exporting those fossil fuels to other countries. So we would be gaining principal, interest, and profit on some of these initiatives if we had leadership on moving towards a sustainable, green economy.

In the area of healthy communities I see a real opportunity as well for more leadership in terms of providing those who are most disadvantaged and those who are disabled and new Canadians with a stronger package of comprehensive services that help them to address their personal and learning needs and their desire for independence and an effective contribution to the society. We continue to hold people back. Whether we're talking about new Canadians or those with disabilities, our investments are puny compared to what is needed to advance people in our society, to help them adjust, to help them get the training and skills they need and to move into a new economy.

3:20

Our budgetary expenses clearly reflect a short-term approach and a stingy approach, I would call it, to human resource development and towards a new economy in this province. People are looking to Alberta as the most advantaged in the western world. We should be leading on responsible growth, sustainable environment, social supports, and a new economy.

My constituents continue to be concerned about affordable housing. That is a crucial issue of a lot of disabled people in my particular constituency of Calgary-Mountain View. They are very concerned at the slow pace, at the still tremendous burden on them financially, with many of them on low fixed income, as our seniors, and there's a real pressure in my office to try to access extra supports

as a result of this shortfall in affordable housing and in some cases continued gouging by some landlords. I'm not saying that all landlords are gouging, but some have doubled their rent in a 12-month period. This is clearly an attempt to either move people out or to get the most elite of clients in some of these situations.

We as government have a responsibility to try to support these people with a living, dignified income with, as I would see it, indexed supports for people on AISH. It always appalls me that we give ourselves a cost-of-living increase every year, yet the most disadvantaged in this province do not qualify for a cost-of-living increase each year. This clearly violates the basic morality of many of us, and I look forward to the time when this government will stand up and say: we deserve a cost-of-living increase, and every disadvantaged person who requires government supports deserves the same. I look forward to that time, Mr. Speaker.

That includes caregivers of many of these people with handicapping conditions or disabilities. They, too, are leaving the workforce, going to other, more lucrative jobs because they simply can't make ends meet. This applies, of course, to some of the individuals in nongovernment organizations that are filling in the cracks for a lot of the human services that we have not been prepared to support adequately in this province.

That leads me to health care, of course, and the tremendous deficit we've developed over time. Some could argue that we couldn't predict the kinds of growth we've had in the last few years. Well, anyone who's heard of peak oil could have predicted that the price of oil is going up. It's going up steadily, and jobs and opportunities in Alberta over the last five years are a predictable reflection of that. Having said that, there has clearly been a lack of awareness and a lack of planning to address some of this, not only from the infrastructure perspective but in the social supports and also, as I mentioned, in the impacts on the environment of this so-called free market driven expansion in our province.

Well, if we were going to let the free market determine our growth, we don't need a government. If the market is going to determine how quickly and at what scope we're going to develop the oil sands and other parts of this province, then we don't need a government. That is precisely the role of government: to manage responsibly what decisions are in the public interest in terms of resource development and what are not.

I've heard my hon. colleague from Calgary-Varsity mention the logging going on west of Calgary, and the great concern, probably the highest level of concern I've had on any issue, is the logging in the Kananaskis and Bragg Creek areas just west of Calgary. Concerned about recreation, they are equally concerned about water quality and water quantity into the future.

Clearly, the most pressing issue that government has to deal with from a sustainability point of view now is climate change. We need leadership on climate change. The experts have been telling us that for 15 years. We see growing concern among scientists that we are still dragging our feet 15 years after the first indications of climate warming and climate chaos began to appear in association with clear indications that carbon in the atmosphere was contributing significantly to that.

I'm not saying that all of climate change is due to man's activities. I am saying that all of the experts that have been published in peer-reviewed journals are saying that the majority of the contribution to climate change is from our human impacts, and we have to get a handle on that. We have to make it a priority. We have to start using regulations. We have to start using taxes. We have to continue to use some subsidies. But without regulations and taxes we are simply not going to move quickly enough to leave our children and our grandchildren a livable planet.

There's a substantial denial in this government, and it's quite clearly connected with their close ties to the fossil fuel industry and an unwillingness to put the brakes on some of these developments. My constituents are particularly concerned about that, and they want a much stronger emphasis placed on a responsible climate change policy, not one that starts to reduce our absolute emissions by 2020 and only reduces it by 14 per cent by 2050. We're talking about an 80 per cent reduction by 2050. That is what the international panel is saying. As I understand it, more than 400 mayors in America have called on their government to step up and show real leadership on climate change, to put a cap on emissions, to start using the regulatory tools that we have to ensure that we are not all paying the price of polluting our environment with carbon, and to change our ways. We could be doing that. We could be leading the planet in that area.

In relation to health care – I alluded to that earlier – I think it needs to be emphasized that the short-term thinking about our health care system has led us also to a real crisis. I would call it a crisis headed for a catastrophe. With our resources stretched to the maximum, all it would take is a major disaster, either a building disaster or an airplane disaster or a multivehicle disaster, and we would see things fly off the handle. We would see serious loss of life in some of our major centres. A major epidemic also would stretch these systems well beyond their capacity, and we would see preventable loss of life and complications from illnesses that would have otherwise been dealt with with minimal impact if we had a system with capacity. We have no extra capacity in our health system as a result of the poor planning in the health system to date.

In relation to health one of the first issues that comes to mind also is First Nations and the struggle that First Nations have to access equal quality of health care, to maintain a healthy lifestyle, and to have a context and environment in which they feel safe and secure and are able to develop their own capacities, whether it's intellectual capacities and job skills capacities, to feel confident in taking on society and making significant contributions to their families, their communities, and to the broader Alberta society. It's reflected also in an aboriginal consultation policy that is tokenism, that continues to lack any meaning as a result of decisions that are made behind closed doors and simply goes to First Nations with a *fait accompli* and asks for some kind of blessing when they've had no meaningful input into the pace and scope of development on their own lands. That, too, needs to be addressed.

Today in Edmonton there is a celebration of a national day of reconciliation for our First Nations. Groups in Edmonton have led the charge for the last several years in identifying the tremendous need to find a way of reconciling between First Nations and the majority of populations in Canada, in this case in Alberta, where there has been so much hurt and recrimination and destructive relationships in the past. There is a real effort by civic groups and others to say, "We need to rebuild our relationship with First Nations," whether they're First Nations living off reserve or they're First Nations on reserve. We have a tremendous debt to try to help First Nations come to grips with what's happened, to acknowledge our contribution to their cultural breakdown and their multiple problems, and to make real, substantive efforts as citizens, just as much as government, in reaching out to First Nations and rebuilding some of those broken relationships that are causing such grief on reserve and off and such demands on health, education, and social systems as a result. That's a positive initiative that has been going on in Edmonton.

There are many other things that I'd like to say, Mr. Speaker, but I'll give up the floor to someone else.

3:30

The Acting Speaker: Under Standing Order 29(2)(a) a five-minute question period is available for questions and comments. Does anyone wish to speak?

Mr. Mason: I have a question for the hon. Member for Calgary-Mountain View. What was it that you were saying?

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

Dr. Swann: Thank you very much, Mr. Speaker. I was alluding to the deficit, another deficit in our relationship with First Nations, and the need for us as citizens and as communities to step up and acknowledge that we have been part of the problem. We have contributed significantly to the demise of our First Nations culture and their sense of security, their sense of self, their sense of being able to contribute to the larger society. I'm inspired, frankly, by this National Day of Healing and Reconciliation that's going on in the province today.

That should equally apply to new Canadians, where we continue to block professionals from getting into their professions. I heard from an engineer this week that a well-trained, high-level engineer, the head of the Faculty of Engineering at the University of Calgary for a couple of decades and now retired, is appalled by how many barriers there are between new Canadian engineers and their capacity to get to work for us. This applies to all the professions. I think that there's a real need for us in the interests of Alberta, in the interests of our economy to get facilitating some of these new Canadians into the jobs and professions for which they were trained. It will improve their health, it will improve our productivity as citizens, and it will improve our reputation in the world.

We advertise for these professionals, and when they come here, we demean them by saying that their degrees, their training are not accepted, that they have to start again. Well, clearly, we're sending a double message, that needs to be addressed. We need to do a lot more as an Alberta government to ensure that we streamline the process of integrating them into their professions and into their communities.

Thank you, Mr. Speaker.

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

Mr. Chase: Thank you. I was wanting to have the hon. Member for Calgary-Mountain View qualify whether he feels that the provincial government has relied too heavily on the federal government when it comes to Alberta's First Nations. Given the growing migration to urban centres, has Alberta dropped the ball when it comes to First Nations?

Dr. Swann: Well, you know, I think that's a good question that I would like to put to the Minister of Aboriginal Relations. I'm not aware of what portion of our budget has shifted towards First Nations in off-reserve conditions. It's clear to me that we have a growing challenge ahead of us, and if we don't address some of these challenges with First Nations, especially the rapid birth rate which we heard about today, we are headed for significantly more disruption and loss of human potential and loss of contribution to our society. I've heard this minister – and he may want to comment on this – speak on his commitment to First Nations and a desire to really assist the growing number in our urban centres in getting the skills and knowledge and opening the doors that have been closed to

them for so many decades so that they would make their full contribution to Canadian society.

The Acting Speaker: Does any other member wish to speak on the bill? The hon. Member for Calgary-McCall.

Mr. Kang: Thank you, Mr. Speaker. Coming back to the budget, our budget is 37-odd billion dollars, and our revenues are about 38-odd billion dollars. Half of the revenues we get are mostly natural resources related; that's where we get half the money from. If the natural resources prices were to tumble, our economy would take a tumble. I think we're going to be in big, big trouble here because half the budget that we spend from comes from our natural resources. What are we going to do? Are we going to cut back all the programs and all the services when the economy slows down? That will just create big chaos. I'm not a member of any doomsday cult or anything, but these are the facts and figures coming from economists. We read about them every day.

I think that we have done that before. We've been there; done that. We had a \$22 billion deficit before, and we paid that. We were promised to reap the rewards of the Alberta advantage, you know, when the debt was paid, but I think we are getting a little squeezed out here because there was no plan. There was such urgency to cut down the debt and the deficit that we fell behind on our other programs, such as education, health care, roads, and bridges. We've got another debt on our hands. I think the Alberta advantage is going a little bit by the wayside. Because the costs of building schools, building hospitals, building roads have gone up so much, that has given us another debt, in the name of infrastructure debt, that's close to \$12 billion to \$14 billion.

In order to pay down that infrastructure debt, we need a plan, and the plan seems to just not be there. We spend all the money that is coming in, and we are not saving for a rainy day. There's no funding for the nutrition programs in the schools. There are big class sizes. Hospital waiting lists are going up every day. Our ambulances in Calgary get yellow alerts because everywhere that there is a big emergency, you know, hospitals cannot handle the patients as quickly, and there are no beds available. So we have a lot of catching up to do.

Hospitals are not being staffed properly, and not much is being done. It's because of all the cutbacks of the '90s, when we laid off all the nurses and doctors and lost all the staff. You know, it's hard to bring them back. Even doctors or nurses that we get from, say, India or other countries: their credentials are not recognized as quickly, or they're not fast-tracked through our medical schools, our nursing schools. So we are lacking on that.

Our homeless shelters are full, and all the volunteer organizations are cutting back on their staff because they cannot compete with the government or with the private sector to keep their staff. People on AISH, senior citizens are living hand to mouth. It's getting harder by the day for them because of the gas prices going up, and that brings up the cost of living. I don't know how people can make a living these days. At one time the head of the family worked, raised two or three kids, paid the mortgage, made the car payment, and there was still some money left in the bank account. It's just getting harder by the day.

I think that on the government's part there should be some kind of plan to save some money into the heritage trust fund for a rainy day. I think we were the first jurisdiction to set up the heritage trust fund: Mr. Peter Lougheed in 1976. Norway and Alaska I think set up their permanent funds after us. They've got billions and billions of dollars sitting in their permanent fund, and they don't have to depend on natural resources because they've got so much money

saved. They can continue with their programs, all the medical, hospitals, education programs.

We haven't been saving anything here, and the latest numbers show that we should be saving \$15 billion a year in order to continue all our government spending, to keep it at this pace. I don't think we are anywhere near that. All the money that we've got here will maybe carry us for six months or a year. I think the government should have some kind of plan to put more money into the heritage savings trust fund and save it for a rainy day. All the money coming in is just going out, and it's not fair to our coming generation that we spend all the money today and leave them with all kinds of debt and all kinds of problems.

3:40

When the royalty revenues go down, how are we going to sustain our funding? That's the one question I'm asking. We should be planning for the future. We are spending more per capita than any other jurisdiction in the country, and we are still falling behind. We need to plan to balance our revenues and spending.

There should be more emphasis on education. Education is the key to success. The key should not be made so expensive that it is out of reach for average Albertans.

We have crumbling bridges, our highways are in bad shape, our hospital system is in a shambles, I would say, and we have more traffic problems. We need the best highways, we need the best hospitals, and we need the best education system for Albertans. I think we should have a plan to catch up on education, on health care, and on the infrastructure deficit because we are competing globally. If we don't plan today for the future, we will be left behind. The world is a global village now. In order to compete on the global stage, we have to plan for the future. We should not be left behind; otherwise, we will never be able to catch up.

Thank you very much, Mr. Speaker.

The Acting Speaker: Under Standing Order 29(2)(a) a five-minute question and comment period is available if anyone wishes to speak. The hon. Member for Calgary-Varsity.

Mr. Chase: Thank you very much. I just want to ask the hon. Member for Calgary-McCall, who has door-knocked extensively in his constituency attending to his constituents' concerns: what issues have new immigrants to Alberta brought forward to you in terms of having difficulty purchasing homes or establishing themselves or with English as a Second Language in schools? What problems have your constituents brought forward?

Mr. Kang: Most of them had ESL, and their foreign accreditation was recognized here quickly. They'd like to be put through some kind of school. The doctors coming from India or Pakistan would rather work with a doctor here for two or three years and then be brought into the system, but that's not happening. They are driving cabs, or they're working at some other menial jobs, and finally they get frustrated with the system and just go by the wayside. I think that's big talent, you know, that we are losing. We could be using those nurses or doctors or engineers or welders or mechanics. I think we can easily bring them up to speed within our system because they want to learn and they want to fit into the system. There are roadblocks when they try to upgrade their skills or their training. I think we should be doing much more in that respect.

Dr. Swann: I'm wondering, Mr. Speaker, if the hon. member could comment a little bit on the access to education and skills. How well

are we doing in providing access to education and new skills for new Canadians in his constituency?

Mr. Kang: Well, I think not much is being done about that. You know, there's big talk about that, but not much is being done. I think we should be moving at a faster rate than we are now. They always talk about, "We're going to speed up the system," about recognizing the accreditations and education. Like I said, people get frustrated because they get nowhere. Then they give up, and they just stay in the same field. They are now driving a taxi or working in a factory.

ESL is a major concern, too. All the immigrants coming from India or Pakistan are reading and writing English. That's no problem; it's just the fluency. We have to do something about speaking skills for new immigrants, which is not getting done.

Mr. Speaker, at this time I would like to call for adjournment so that other members of my caucus may have the opportunity to participate in the appropriations budget debate.

Thank you.

[Motion to adjourn debate carried]

The Acting Speaker: Hon. members, before we continue, may we revert to Introduction of Guests?

[Unanimous consent granted]

Introduction of Guests

(reversion)

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

Mr. Jacobs: Thank you, Mr. Speaker. It's certainly my privilege today to rise and introduce seven students and their teacher and parent helpers from Hill Spring, Alberta. These are grade 9 students. They are on their annual school trip. They have chosen to come to Edmonton and visit the Legislature and see how it works. I'm very pleased to have them here. They are accompanied by their principal, by Jamie Barfuss and parent helpers LaRee Barfuss and Kim and Lori Schnoor. I would ask them to rise, please, and receive the warm welcome of this Assembly.

Government Bills and Orders

Third Reading

Bill 12

Teachers' Pension Plans Amendment Act, 2008

The Acting Speaker: The hon. Deputy Government House Leader on behalf of the hon. Minister of Finance and Enterprise.

Mr. Zwozdesky: Yes. Thank you very much, Mr. Speaker. It's my pleasure on behalf of the hon. minister of finance to move Bill 12, the Teachers' Pension Plans Amendment Act, 2008, at third reading.

I do that with great pleasure because, in fact, I had the great honour of being the Minister of Education for a couple of years, and it was at that time that I was able to actually start the official negotiation process, which culminated into a firm decision by our current Premier to actually see it through. I want to congratulate our Premier for doing that, as well as the Minister of Education of that time. This particular issue of the teachers' unfunded pension liability has been around for far too long, as we all know. However, given our current and enviable financial position, I'm delighted that our minister of finance, again at the direction of our Premier, has

been able to bring this particular amendment act forward at this time.

This issue has had, as you well know, a profound impact on two very fundamental issues in the K to 12 education system in the province of Alberta. The first of them has been the retention of the excellent and outstanding teachers that we already have in this province, and the second is the recruitment of the next generation of teachers. Through the obligation, however, that teachers had with respect to the teachers' unfunded pension liability since the new agreement was put in place somewhere around 1992 or '93, if memory serves, teachers have been paying on average about an additional 300-plus dollars per month to service their portion of the agreed-to unfunded pension liability.

As a result of this act, however, teachers will have that, may I say, burden lifted from their backs, and I think that speaks very, very loudly for the value that we have in our teachers, and it will speak even louder volumes for the new ones that we're still set to attract.

With that, Mr. Speaker, and as a former teacher myself I say congratulations to the minister for bringing this forward and let her know that this will have my full support. I'm sure it will have the full support of all the teachers that I'm proud to represent in Edmonton-Mill Creek, not to mention my own family.

Thank you, Mr. Speaker.

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

Mr. Chase: Yes. Thank you very much. As a fellow teacher – I could pretty much go for how many years? – for 34 years with the Calgary public board of education this is, in fact, a historic agreement. I laud the province for having taken the responsibility of looking after this debt because it is a debt, and when you add this particular debt to the infrastructure deficit that the hon. member for Calgary-McCall mentioned, we're basically back to the \$22 billion that the government claimed it had paid off starting in 1994.

3:50

However, this agreement is not only good for teachers and their families, but it creates five years of stability. This is probably the longest period of stability in education in the province of Alberta. With the use of the equivalent of a COLA clause, attaching teachers' wages for the next five years directly to the weekly average, as is the case with our MLA salaries, I would suggest that this is a method that would serve teachers well and the province of Alberta well in negotiating further arrangements.

The only concern I have – and I've addressed this to the minister – is the fact that while the province assumes the liability, the liability continues to exist, and that unfunded liability is or will be approximately \$7 billion by the end of this year. Now, if the province only pays down the \$85 million requirement that it has assumed from the teachers on a yearly basis, then the actual debt will grow to \$45 billion if allowed to extend to 2060. Hopefully, the government would recognize the fact that it's better to pay off this debt in a more rapid approach than to allow it to accumulate, although the province has talked about environmental initiatives that won't fully kick in until 2050. This long-term resolution is always a concern.

However, from the point of view of a teacher, a father, and a grandfather and for all other professionals, their families, and their children this does create stability. It allows for the focus to be on education as opposed to negotiation. Therefore, I welcome this initiative, and I thank the ministers of Education, current and previous, for their thoughtfulness.

Thank you.

The Acting Speaker: Any other members wish to speak? The hon. Member for Calgary-Mountain View.

Dr. Swann: Well, thank you very much, Mr. Speaker. It's my privilege also to stand and congratulate the minister on this historic agreement. It also sets an important precedent, I think, for other organizations that may now or in the future develop these kinds of liabilities, that they could look to the government for responsible action on these issues. I think all Albertans are celebrating this agreement, certainly those with young children who have faced the prospect recently of strikes and actions relating to the teachers' working conditions and their salary agreements.

This is, indeed, an important contribution to education, to stability, to honourable relationships between government and this publicly funded service that we set such a high, high priority on. So I add my congratulations to those of my colleague. This is a historic time, indeed. My heartfelt congratulations.

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

Mr. Mason: Well, thank you very much, Mr. Speaker. I have addressed this bill at the previous stage, but in light of the fulsome congratulations that are being offered to the government on this, I would like to add my somewhat more qualified congratulations to the government for finally resolving an issue that has dogged teachers for virtually decades, a problem which the government had a significant hand in creating in the first place. With that, I offer my congratulations to the government at finally resolving it.

[Motion carried; Bill 12 read a third time]

Bill 13 Financial Institutions Statutes Amendment Act, 2008

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

Mr. Zwozdesky: Thank you, Mr. Speaker. On behalf of the hon. Member for Calgary-North Hill it is my pleasure to move Bill 13, the Financial Institutions Statutes Amendment Act, 2008, at third reading.

The Acting Speaker: Does any member wish to speak?

Mr. Kang: Having consulted with stakeholders and other concerned parties, we believe that the government has done its homework on Bill 13, and therefore we support it.

The Acting Speaker: Does the hon. Deputy Government House Leader wish to close debate?

Mr. Zwozdesky: Question.

[Motion carried; Bill 13 read a third time]

Government Bills and Orders Committee of the Whole

[Mr. Mitzel in the chair]

The Deputy Chair: I would like to call the Committee of the Whole to order.

Bill 1
Trade, Investment and Labour Mobility
Agreement Implementation Statutes
Amendment Act, 2008

The Deputy Chair: Are there any comments or questions? The hon. Member for Calgary-Varsity.

Mr. Chase: Thank you very much. The idea of working in a cooperative, collaborative format with a neighbouring province makes absolute sense providing we know what we're getting into when we make this agreement. The point of TILMA is not only labour mobility but a breakdown of regulations and restrictions that would prevent the movement of not only goods but a sort of an economy that would benefit both provinces. However, as is the case with NAFTA and free trade agreements, we need to guard against any loss of our own sort of provincial sovereignty. We don't want to have Alberta municipalities faced with the prospect of having to allow certain practices or groups to establish themselves that have a right in B.C. but up until the passing of TILMA have not had that same opportunity provided for them in Alberta.

What we don't want to have is a lowering of our expectations or a lowering of our standards, whether those standards have to do with labour laws, the rights to have a legitimate association or a union, or the types of training requirements, for example, in the trades, where you have to go through a journeyman's situation before you're certified as a professional to undertake that trade. When we were at the bill's second reading stage, I talked about concerns I had about the division 8, whereby a company or a union could establish itself in this province and the contract that it drew up then became the basis for all other agreements that followed. So if there was a particular organization in B.C. that wanted to come into Alberta and, feigning a union status, sign a contract with the Alberta government or an Alberta company to work at a wage that was below an already negotiated Alberta standard, then this would be an example of labour mobility but mobility in the wrong direction, obviously: down as opposed to up.

4:00

This ability for Alberta to maintain its own expectations, its own regulations, its own laws – I haven't yet been convinced that TILMA allows us to have our own sort of proprietary principles versus having to give up parts of our sovereignty or parts of our stewardship to accommodate a B.C. proposal. We have an example of the Copeman clinic in Calgary that is basically a B.C. export, and considering that the head of the Canadian Medical Association originates from B.C., where privatization of health care proposals have been pushed, this is a large concern for a number of Albertans.

One of the things that B.C. does export that I would hope we would welcome and embrace is an educational system whereby on a per capita basis B.C. is able to graduate almost three times as many postsecondary individuals as Alberta has. I say per capita because obviously B.C. has a significantly larger population, but it recognized a long time ago that education is the answer, and it has a variety of academic and technical training facilities. If Alberta could match or approximate the progress that B.C. has shown in the area of postsecondary, if Alberta could achieve the same high school graduation rates as B.C. has achieved – and B.C., incidentally, has a significantly large immigrant population, as we have in Alberta, which is both a challenge and an opportunity if we embrace it to the proper extent.

Another import from B.C. that I would like to see us adopt, that would be a positive import, is a much tougher stance on stewardship of the environment, the B.C. expectations on industrial development

and the limitations, and the protection of wildlife, of parks and protected areas. With the vast number of parks and possibilities for recreational pursuits in Alberta, this is something that I would like to think we would adopt.

And B.C. has provided a number of opportunities for culture. Whether it be publishing, whether it be in the form of movies, films, B.C. has underwritten and provided opportunities for companies and employed individuals from B.C. to have opportunities to pursue their cultural dreams, so if this is something that Alberta wanted to import from B.C., then that part of TILMA would be extremely welcome.

B.C. is also known for its multicultural aspects, its embracing of a variety of different religious beliefs, customs, and culture. B.C. spends a considerable amount of money in fostering and maintaining this cultural diversity. Again, if this were an export to Alberta rather than the recent \$12 million announcement that the Premier made at the Jubilee Auditorium, which barely scratches the surface of subsidizing culture, then this would be a positive export to Alberta.

As a teacher I am extremely concerned about the opportunities for Alberta students and especially our growing population of aboriginal youth to have meaningful opportunities in the province of Alberta. As it is, we lose a number of students, both nonaboriginal and First Nations, to B.C. because we currently don't have the postsecondary seats to support them here in Alberta. I would like to think – and I've mentioned this before in second reading – that we would be exporting to B.C. and to the rest of Canada and to the world well-educated individuals. I would like us to be exporting the research that has taken place in Alberta, research that, as the Member for Calgary-Foothills brought up, would go a long way to eliminating various threats of cancer.

Alberta has the financial power and opportunity to be a leader and to share with B.C., two of the most vibrant economies in this nation of Canada. Together we could potentially be stronger, and that is the intent of TILMA. We have to balance that potential combination of the strengths of two neighbouring provinces with what we could possibly lose. TILMA has had an opportunity for much greater extensive debate in the B.C. Legislature than the short time afforded to us in Alberta.

Again, bringing forward the NAFTA example, I don't want to find ourselves without an escape clause, where six months into the process if we disagree with the direction that's being taken, then hopefully there will be a mechanism, which I've yet to find in reading this bill, that would allow us to negotiate out the particular clause or the particular threat that was being brought forward. This concern has been brought forward by a number of municipalities, that they fear that their local autonomy and authority will be compromised by an overriding provincial agreement. Hopefully, the proposers of the bill can assure us that these concerns over lost autonomy will be addressed in the bill, and I would very much appreciate it if members opposite could point out particular clauses of the bill that indicate almost an insurance policy or an escape clause should this bill be passed as it appears the government is so anxious to accomplish.

If this bill does prove to be of value, then I would hope, as I mentioned earlier in second reading, to approach other western provinces, Saskatchewan and Manitoba, and share with them our advantages and also have them share some of the risks that are associated with the processing of our natural resources. I would much rather this interprovincial bargaining took place as opposed to losing the resources to our southern neighbour. We must get to the point where we sell finished products as opposed to sending down raw materials.

With that, I will look forward to answers from the government,

assurances that we're not going into this blindly, and look forward to further debate. Thank you.

4:10

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

Dr. Swann: Well, thank you very much, Mr. Chairman, for an opportunity for me to speak to Bill 1, the trade, investment, and labour mobility agreement for 2008. I, too, have had difficulty with this bill and will be voting against it. I hope some of the concerns we've raised will resonate with some in the government. Certainly, the background that it harmonizes the province's commercial vehicle registrations is positive. The electricity regulations being compatible with generally acceptable and applicable North American standards is reasonable.

But the element relating to government procurements being open and nondiscriminatory puts real constraints, I guess, on municipalities, on schools boards, on institutions within our province that may have specific higher standards in terms of procurement – fair trade products, for example, where we're trying to get more global and ethical purchasing, purchasing from companies who do not deal in military arms and alcohol and tobacco, for example – trying to improve our ethical standards. Procurement is going to be limited as a result of this, and it's going to be a race to the bottom in terms of standards for many of the interests of the public.

There are, certainly, some important elements to this, and I can't deny that. One is the labour mobility in which workers recognized as qualified in one province can move to the other, and those registered with regulatory authorities for their occupation can do so across the line as well. Even internationally trained professionals, if they're licensed in one province, can through this mechanism be also addressed and open to practise in another province. But this is again where it becomes problematic in terms of the lowest standard being accepted rather than maintaining the highest possible standards.

The areas for which it's unclear and again raises questions for us on the other side are Crown corporations, government-owned commercial enterprises, municipalities, school boards, and publicly funded academic, health, and social services entities. There's ambiguity there. The discrepancies exist in both the government's own literature promoting the agreement and in the more general literature associated with free trade. We see this, for example, in the health and social services brochure, and it begs the question: what is and what isn't in this agreement, and how can we make sure that we are protecting the best of Alberta standards while embracing the need to reduce red tape and unnecessary cross-border barriers? There are real concerns, not to mention, I guess, that each of these uncertainties and discrepancies opens itself up to action from one party or the other, that is going to tie up dollars and courts and lead to some lawyers getting well paid and well remunerated. But is it going to serve the public interest? Is it actually going to improve the quality and access to services that people are looking to government to ensure?

There are a number of examples that I've heard from municipalities and school boards that raise these very issues. I think the question is whether we're prepared to buy the whole package or whether we're going to do our homework and make sure that these issues are not going to be compromising the integrity and the standards and the purpose of many of our public institutions that we in Alberta have worked hard to ensure high standards for.

Again, I've mentioned this before, and others – the Canadian Centre for Policy Alternatives, the Canadian chartered accountants' association, the Council of Canadians, and even the provinces of

Saskatchewan and Manitoba – have said that this doesn't make sense from a broader public policy point of view until it gets more detailed and refined and addresses some of these concerns that people and organizations have had.

With that, I'll take my seat and look forward to further debate on the application of this and the implications of this for our society. Thank you, Mr. Chair.

The Deputy Chair: Any other members wish to speak? The hon. Member for Calgary-McCall.

Mr. Kang: Thank you, Mr. Chair. TILMA raises some major questions about democratic governance both in terms of how the deal was struck and in potential impacts of the agreement itself on democratic decision-making. In addition to its clear constraints on public policy, TILMA contains many provisions that are open to interpretation. The true meaning of many of these clauses will not be fully understood until the limits are tested by a dispute panel process that enables the parties to the agreement, individuals and corporations, to launch complaints against governments and to be awarded compensation for violations.

TILMA requires governments to not restrict or impair trade investments or labour mobility, yet by their very nature the government programs and Crown corporations confine private investments within certain limits. By providing some services that otherwise might profitably be provided by the private sector simply, government regulation often places limitations on private investment. TILMA goes beyond requiring that a province treat the goods, services, investors, and investments of other provinces the same as it normally treats its own.

Even the government measures that do not discriminate between investors from B.C. and Alberta can still violate TILMA. The agreement establishes absolute constraints on government regardless of whether there is a level playing field for companies in either province. All provincial government entities are covered by TILMA, including municipal governments, schools, health boards, Crown corporations, and agencies. TILMA restricts the use of subsidies and procurement policies that promote local economic development, and TILMA creates a deregulatory framework for public-interest regulation. When TILMA's purpose is to reconcile existing and future standards and regulations, TILMA processes in dealing with regulations are an example of an overall trend to cast regulatory differences as barriers to trade and investment.

But TILMA goes beyond addressing unnecessary paper burdens. Once existing regulations are reconciled, no new ones can be established if they restrict or impair investment. Consequently, B.C. and Alberta regulatory policies will tend to be permanently frozen unless a future government withdraws from the agreement. TILMA can only result in pressures to deregulate. The requirement to reconcile regulations and standards is subject to enforcement by private investors, who are more likely to launch complaints over regulations because they are too high than because they are too low.

When it initially enters into force, TILMA will contain some exceptions, including measures related to water, aboriginal people, energy, forestry, and mining. These exceptions are to be reviewed annually with a view to reducing their scope. Health and education are not specifically exempted and are among the areas – agriculture, tourism, parks, heritage conservation, consumer protection, land-use planning – where the agreement could have major negative impacts.

4:20

In a limited number of areas governments are allowed to adopt or maintain measures that deviate from TILMA rules but only if they

can pass a three-part test: the measure has to achieve a legitimate objective; the measure has no more reciprocal trade, investment, or labour mobility than necessary to achieve that legitimate objective; and the measure is not disguised as a restriction to trade, investment, or labour mobility. The list of legitimate objectives has significant omissions, including the protection of heritage sites, promotion of culture, provision of education, expansion of supply of affordable housing. It does not include most of the objectives municipalities pursue to enhance the lives of their residents; for example, land-use planning to keep noisy, high-traffic use out of residential neighbourhoods, green space requirements to provide recreational areas for residents, building height restrictions, sign bylaws to preserve scenic views. The consequences of opening health, education, and social services measures to TILMA turns out to be significant.

There are some examples here of TILMA violations if they impair or restrict investment: penalties such as fines the province may impose to prevent hospitals from allowing individuals to pay in order to be put at the head of the waiting list for surgery or diagnostic tests; restrictions the B.C. government may consider necessary to regulate the operation of private, for-profit surgery clinics; more stringent standards that B.C. or Alberta governments may impose on private care homes; and differences in B.C. and Alberta regulations of private schools.

While some environmental measures are exempted from TILMA, significant areas are covered by the agreement: designation and protection of ecological reserves; environmental assessments of projects like ski resorts or chemical plants; regulation of air pollution produced by manufacturing plants, automobiles, such as B.C.'s aircare program; restrictions on particular products like ozone-depleting substances or pesticides; and regulation of recreation and tourism to protect ecologically sensitive areas.

TILMA's dispute process will also impact public policy. Private parties can receive up to \$5 million in compensation over one violation of TILMA, but TILMA does not limit the number of complaints that can be brought forward against any specific government measure. Thus the potential cost to the government of violating TILMA is much higher than \$5 million. TILMA's dispute process will have an impact on public policy development in two fundamental ways: through panel rulings that fine government up to \$5 million if they're ruled to be in violation of the agreement and through a chill effect, whereby government eliminates measures for the client to introduce new ones toward TILMA.

Among the grounds that TILMA provides for the government to have to pay monetary awards to private complainants are government's measures that restrict or impair trade, investment, or labour mobility; lack of reconciliation of existing rules and standards that restrict or impair trade, investment, or labour mobility; establishment of new regulations and standards that restrict or impair trade, investment, or labour mobility; business subsidies that distort investment decisions; and treatment less favourable than the best treatment provided to a province's own persons, services, investors, and investments.

For these reasons, Mr. Chair, and as other members of my Liberal caucus have not had the opportunity to participate in this Committee of the Whole portion of debate on Bill 1, Trade, Investment and Labour Mobility Agreement Implementation Statutes Amendment Act, 2008, I would like to call for adjournment.

Thank you.

[Motion to adjourn debate carried]

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

Mr. Zwozdesky: Thank you, Mr. Chairman. On that note I would move that we now rise and report progress.

[Motion carried]

[Mr. Mitzel in the chair]

Mr. Drysdale: Mr. Speaker, the Committee of Whole has under consideration a certain bill. The committee reports progress on the following bill: Bill 1.

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

Hon. Members: Concur.

The Acting Speaker: Opposed? So ordered.

Government Bills and Orders Second Reading (continued)

Bill 11 Insurance Amendment Act, 2008

The Acting Speaker: The hon. President of the Treasury Board on behalf of the hon. Minister of Finance and Enterprise.

Mr. Snelgrove: Thank you, Mr. Speaker. I rise today to move second reading of Bill 11, the Insurance Amendment Act, 2008, on behalf of the Minister of Finance and Enterprise.

This proposed bill will repeal and replace part 5 of the Insurance Act relating to statutory provisions for insurance contracts – life, accident, and sickness – and general insurance, which includes home and property insurance. This bill is based on Bill 42, that was tabled during the 2007 spring session but was not passed to allow for further public consultation. Similar to Bill 42, there are only minor changes to the subpart about automobile insurance, and these provisions were reviewed in 2003 as part of the auto insurance system's reform.

The provisions in the bill are based on a balanced set of core principles that serve Albertans and the industry well. There are transparency, fairness, innovation, harmonization, and sustainability. The changes that are being put forward are important to consumers because they clarify and strengthen the rights they have when they enter into an insurance contract. The Supreme Court of Canada encouraged all provinces to clarify and modernize insurance contracts several years ago. By addressing this issue with the introduction of this legislation, Alberta will remain a national leader.

Before introducing these amendments to the Insurance Act, government and stakeholders spent a considerable amount of time consulting on and discussing the revisions. Brokers, in particular, were significant contributors as they relayed the important issues they hear daily from their clients. Our commitment to TILMA strengthened our resolve to co-ordinate our legislative reform with British Columbia. The consultations were a joint effort between the two provinces. This legislation is a major accomplishment under TILMA as we worked with stakeholders of both provinces to harmonize the principles, intent, and language of the legislation.

On April 30 the Hon. Carole Taylor, British Columbia's Minister of Finance, introduced a similar bill to our Legislature's. We anticipate that most other provinces will consider implementing the Alberta and B.C. amendments as model legislation for their respective jurisdictions. Other legislative provisions throughout the act are also being revised to modernize them for today's insurance

marketplace. I would like to highlight some of the more fundamental changes and major achievements of this legislation.

With respect to the principle of transparency the amendments will strengthen consumer protection by improving awareness of limitation periods through timely disclosure by insurance companies. Regulation-making authority will allow the government to require insurance companies and adjusters to disclose the existence of the limitation period in a timely manner to consumers after a claim has been made. In addition, general life and accident and sickness insurance contracts will include a notice that the limitation period exists and can be found in the Insurance Act.

Another disclosure requirement of the insurer relates to the dispute resolution process, formerly known as the appraisal process. At the time of the claim insurers will be expected to inform their customer of the process available to them if there is a dispute regarding the value of damage or loss of property. An individual insured under group life or an accident and sickness policy will be able to obtain a copy of the group insurance policy, excluding any parts containing confidential information. Currently the individual gets a certificate with very limited information about the insurance. This change permits the consumer to obtain information that helps them understand details of their insurance, including the type, amount, and restrictions included within the group contract.

With respect to the principle of fairness one of the most significant changes to the legislation is the modernization of the specific wording that insurers are required to include in the contracts, technically known as the statutory conditions. After passage of this bill almost every general insurance contract will include common statutory conditions that clearly state many of the important rights and responsibilities of the insurer and the consumer. Consumers and insurers will still have the ability to negotiate additional terms or provisions of the contract that are important to them.

4:30

The Supreme Court said that the provinces need to amend their insurance acts to apply to multiperil property contracts. We have resolved this issue with these amendments, and we will be able to provide certainty for consumers. Regulation-making authority will ensure government has the ability to prohibit unacceptable contractual exclusions. Further consultation with stakeholders will occur before the government implements these regulations as it will need to address significant risks such as earthquakes, terrorism, or nuclear events.

Policyholders will now have two years instead of one, as it currently is, to initiate legal action against their insurer to recover a claim. This new time period is consistent with the Limitations Act. The bill will clarify the circumstances around when the limitation period starts and provide certainty for consumers regarding their legal rights. A person who is disabled will be able to suspend the operation of the limitation period. This will help protect the contractual rights when Albertans are most vulnerable.

The current dispute resolution or appraisal process will be amended to strengthen consumer protection in a claims dispute. The amendments extend the application from the automobile insurance to all other general insurance contracts where there is a dispute regarding the value of damage or loss to property.

With respect to the principles of innovation, when an insurance company replaces another insurer's existing group life insurance policy, it will have the option to automatically carry over the beneficiary designation instead of requiring policyholders to fill out new designation forms. However, if they do automatically carry it over, they must advise the insured. This will provide consumers with greater protection if there are any errors made during the

transfer process as the replaced insurer, not the consumer, will be held liable for those errors.

The regulatory process will be streamlined for hail insurers. Contract language has been clarified and updated, and the outdated requirement to file commissions and premium rates for hail insurance has been removed.

The marketplace has changed substantially, and the amendments will ensure that modern business processes and technology can be used for electronic transactions. This benefits industry by lowering administrative costs and benefits the consumer by providing them with the choice of handling their affairs over the phone, the Internet, or by other means if they want to. There will be some exceptions where written transactions will still be required to protect consumer interests; for example, the cancellation of insurance policy or beneficiary changes.

The legislative changes and revised regulatory authority will be consistent and co-ordinated with the Electronic Transactions Act. The subparts relating to livestock, weather, and mutual insurance are being repealed as there is no longer a need for this specific subpart for these classes and types of insurance. The revised general insurance subpart provisions, which include all classes of insurance except life, accident, and sickness insurance, would apply to any current livestock, weather, and mutual insurance.

As a final point with respect to the principle of innovation there will be authority in the new act to allow reciprocal insurance exchanges, which are insurance agreements set up for organizations like municipalities and counties to provide insurance to entities that are not subscribers of their reciprocal exchange. To ensure this new provision does not impact the financial strength of these exchanges, the approval of the superintendent of insurance will be required. This amendment is important for reciprocals that would like to provide coverage for community-based, nonprofit organizations such as public libraries and community halls.

With respect to the principle of harmonization, consistent with life insurance policies policyholders will have a 30-day grace period to make up a late payment on an accident and sickness insurance contract.

The government's cost to regulate and oversee insurance companies will be recovered through a levy on the insurance industry. The use of an assessment to cover these expenses is consistent with the governments of B.C., Ontario, Quebec, and the federal insurance regulator.

Similar to legislation in Manitoba the amendment will allow a person to cancel an insurance contract on their life if they feel their life or health is at risk because of the contract. I hope this will help Albertans feel safer and protect themselves. Who'd have thought?

With respect to the principle of sustainability, costs to insurers will be reduced because of the simplification and modernization of the acts in Alberta and B.C. This is in addition to the existing robust solvency and regulatory standards of the province and the federal government.

Mr. Speaker, this legislation is necessary to bring Alberta's legislation up to date and into harmony with the same legislation in British Columbia. Most importantly, it strikes a balance between improving consumer protection, transparency, and fairness with a regulatory climate that supports our strong and vibrant economy. I would urge all members to support second reading of the Insurance Amendment Act, 2008.

Thank you, Mr. Speaker. At this time I would like to adjourn debate.

[Motion to adjourn debate carried]

Bill 14**Court of Queen's Bench Amendment Act, 2008**

The Acting Speaker: The hon. Deputy Government House Leader on behalf of the hon. Minister of Justice and Attorney General.

Mr. Zwozdesky: Thank you, Mr. Speaker. I do in fact rise today on behalf of the Minister of Justice to move second reading of Bill 14, the Court of Queen's Bench Amendment Act, 2008.

This amendment is intended to ensure that when appropriate the provisions that apply to judges under the Provincial Court Act will also apply to masters under the Court of Queen's Bench Act. Masters in chambers, as we know, perform similar duties to judges, and in many respects they face the same issues and concerns. Amending the provisions that apply to masters will give masters in chambers more career options and will in turn benefit the courts by increasing the public's access to justice and the efficiency of court proceedings.

With that, Mr. Speaker, I would move that we adjourn debate on Bill 14 at this time.

[Motion to adjourn debate carried]

Bill 15**Family Law Amendment Act, 2008**

The Acting Speaker: The hon. Deputy Government House Leader on behalf of the hon. Minister of Justice and Attorney General.

Mr. Zwozdesky: Yes, Mr. Speaker. Thank you. I rise once again on behalf of the hon. Minister of Justice to move second reading of Bill 15, the Family Law Amendment Act, 2008.

This bill will establish a new and much-needed service for separated and divorced parents and their children. With this new service, called the child support recalculation program, many parents will no longer have to go to court to recalculate child support orders since changes in their incomes will be assessed through an administrative process. Mr. Speaker, the child support recalculation program will improve access to justice by offering a simple, low-cost way for parents to keep their child support orders current.

That having been said, Mr. Speaker, I would move that we adjourn debate at this time on Bill 15, the Family Law Amendment Act, 2008.

[Motion to adjourn debate carried]

Bill 16**Municipal Government Amendment Act, 2008**

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

Mr. Danyluk: Thank you very much, Mr. Speaker. I'm pleased to rise today to move the second reading of Bill 16, the Municipal Government Amendment Act, 2008.

The bill proposes amendments to section 291 of the MGA. As

you know, Mr. Speaker, one of my ministry's core objectives is to continually improve the fairness and accuracy of property assessment in Alberta. This action is being taken now to clarify and confirm existing policy regarding linear property assessment for oil and gas pipelines.

Recent court rulings have interpreted existing legislation to mean that all pipelines in a system must be complete before any of the pipelines can be assessed and taxed, and a pipeline must be complete but is not assessable until it is actually in operation. In other words, Mr. Speaker, if you have a system of multiple pipelines, all of them have to be in operation before any of them pay taxes. This is not the original intent of our policy.

It was our intent that a partial pipeline system might be in operation for years, but the entire system would not be taxable if one line was incomplete. It was our intent that our pipeline be fully constructed, tested, and ready for operation but not be taxable before it was not actually in operation.

The proposed amendment will make it clear that the pipelines are to be assessed when the construction is complete or the pipeline is determined to be capable of use. It will define construction and identify the test to determine when the pipeline is capable of being used. It will also clarify that pipelines are to be assessed and taxed on an individual basis, not as a system of multiple pipelines.

I want to emphasize again that this is not a change in policy but rather a clarification of existing policy. This proposed amendment protects the public interest by ensuring municipalities have a stable and predictable property assessment basis in order to raise municipal revenues and by confirming current provincial assessment policies and the validity of the property taxes levied under these policies. It will also stop further expansion of unintended exemption from taxation that has occurred since the original court decision. This has been an ongoing issue, and a number of municipalities have requested this change.

4:40

Pipeline assessment raises approximately \$280 million in taxes for municipalities and approximately \$140 million in education property taxes for Albertans. That is why it is so important that the assessment of this valuable infrastructure be fair, predictable, and consistent.

Mr. Speaker, I urge members to support Bill 16, and I look forward to further discussion on this matter. So that all members have ample opportunity to review the bill and prepare for further discussion, I move that we adjourn debate at this time.

Thank you very much, Mr. Speaker.

[Motion to adjourn debate carried]

Mr. Renner: Well, Mr. Speaker, we've made considerable progress this afternoon. Given that we anticipate a number of members to be participating in further discussion this evening, I would move that we now call it 5:30 and adjourn until 7:30 this evening.

[Motion carried; the Assembly adjourned at 4:41 p.m.]

Table of Contents

Tuesday afternoon, May 27, 2008

Introduction of Visitors	969
Introduction of Guests	969, 979, 986
Members' Statements	
Hay-Zama Lakes Wildland Provincial Park	970
Southwest Calgary Ring Road Bridge Planning	970
International Children's Festival	971
Hockey Championships	971
WorldSkills Calgary 2009	979
Calgary Public Library Centennial	980
Oral Question Period	
Contamination by Oil Sands Tailings Ponds	971
Health System Governance	972
Gasoline Pricing	973, 975
Protocol Agreement with First Nations	973
Reviews of Health System Governance	974
Block Funding for Affordable Housing	974
Bioenergy Project Subsidies	974
Southwest Calgary Ring Road	975
Reclamation of Oil Sands Tailings Ponds	976
Health Services for First Nations Residents	976
Commercial Vehicle Inspections	977
Bioenergy Industry Impacts	977
International Drivers' Licences	978
Call Centre Layoffs	978
Modular Classroom Units for Schools	978
Water Quality of Athabasca River	979
Presenting Reports by Standing and Special Committees	980
Presenting Petitions	980
Tabling Returns and Reports	980
Tablings to the Clerk	981
Government Bills and Orders	
Second Reading	
Bill 22 Appropriation Act, 2008	981
Bill 11 Insurance Amendment Act, 2008	990
Bill 14 Court of Queen's Bench Amendment Act, 2008	992
Bill 15 Family Law Amendment Act, 2008	992
Bill 16 Municipal Government Amendment Act, 2008	992
Government Bills and Orders	
Third Reading	
Bill 12 Teachers' Pension Plans Amendment Act, 2008	986
Bill 13 Financial Institutions Statutes Amendment Act, 2008	987
Government Bills and Orders	
Committee of the Whole	
Bill 1 Trade, Investment and Labour Mobility Agreement Implementation Statutes Amendment Act, 2008	988

STANDING COMMITTEES

Standing Committee on the Alberta Heritage Savings Trust Fund

Chair: Mr. Rogers

Deputy Chair: Mr. Elniski

Amery	DeLong	McQueen	Olson
Blakeman	Kang	Notley	

Standing Committee on Community Services

Chair: Mr. Rodney

Deputy Chair: Mr. Hehr

Benito	Doerksen	Johnston	Notley
Bhardwaj	Johnson	Lukaszuk	Sarich
Chase			

Standing Committee on Health

Chair: Mr. Horne

Deputy Chair: Ms Pastoor

Dallas	Notley	Quest	Swann
Denis	Olson	Sherman	Vandermeer
Fawcett			

Standing Committee on Legislative Offices

Chair: Mr. Prins

Deputy Chair: Mr. McFarland

Blakeman	Lund	Marz	Notley
Campbell	MacDonald	Mitzel	Webber
Horne			

Special Standing Committee on Members' Services

Chair: Mr. Kowalski

Deputy Chair: Mr. Oberle

Elniski	Mason	Snelgrove	VanderBurg
Hehr	Rodney	Taylor	Weadick
Leskiw			

Standing Committee on Private Bills

Chair: Dr. Brown

Deputy Chair: Ms Woo-Paw

Allred	Calahasen	Forsyth	Quest
Amery	Campbell	Jacobs	Sandhu
Anderson	Doerksen	MacDonald	Sarich
Benito	Elniski	McQueen	Swann
Boutilier	Fawcett	Olson	

Standing Committee on Privileges and Elections, Standing Orders and Printing

Chair: Mr. Prins

Deputy Chair: Mr. Hancock

Bhardwaj	Johnson	Notley	Taylor
Boutilier	Leskiw	Oberle	Vandermeer
Calahasen	Liepert	Pastoor	Weadick
Doerksen	Marz	Rogers	Zwozdesky
Griffiths	Mitzel	Stevens	

Standing Committee on Public Accounts

Chair: Mr. MacDonald

Deputy Chair: Mr. Lund

Benito	Denis	Jacobs	Quest
Bhardwaj	Drysdale	Johnson	Vandermeer
Chase	Fawcett	Kang	Woo-Paw
Dallas	Griffiths	Mason	

Standing Committee on Public Safety and Services

Chair: Mr. VanderBurg

Deputy Chair: Mr. Kang

Anderson	Cao	MacDonald	Sandhu
Brown	Jacobs	Notley	Woo-Paw
Calahasen			

Standing Committee on Resources and Environment

Chair: Mr. Prins

Deputy Chair: Dr. Swann

Berger	Griffiths	Mason	Oberle
Boutilier	Hehr	McQueen	Webber
Drysdale			

Standing Committee on the Economy

Chair: Mr. Allred

Deputy Chair: Mr. Taylor

Amery	Campbell	Mason	Weadick
Bhullar	Marz	McFarland	Xiao
Blakeman			

If your address is incorrect, please clip on the dotted line, make any changes, and return to the address listed below. To facilitate the update, please attach the last mailing label along with your account number.

Subscriptions
Legislative Assembly Office
1001 Legislature Annex
9718 - 107 Street
EDMONTON AB T5K 1E4

Last mailing label:

Account # _____

New information:

Name _____

Address _____

Subscription information:

Annual subscriptions to the paper copy of *Alberta Hansard* (including annual index) are \$127.50 including GST if mailed once a week or \$94.92 including GST if picked up at the subscription address below or if mailed through the provincial government interdepartmental mail system. Bound volumes are \$121.70 including GST if mailed. Cheques should be made payable to the Minister of Finance.

Price per issue is \$0.75 including GST.

On-line access to *Alberta Hansard* is available through the Internet at www.assembly.ab.ca

Address subscription inquiries to Subscriptions, Legislative Assembly Office, 1001 Legislature Annex, 9718 - 107 St., EDMONTON AB T5K 1E4, telephone 427-1302.

Address other inquiries to Managing Editor, *Alberta Hansard*, 1001 Legislature Annex, 9718 - 107 St., EDMONTON AB T5K 1E4, telephone 427-1875.

