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Third Session

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The Honourable Kenneth R. Kowalski, Speaker

Legislative Assembly of Alberta
The 27th Legislature
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Mitzel, Len, Cypress-Medicine Hat, Deputy Chair of Committees

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Legislative Assembly of Alberta

1:30 p.m.

Wednesday, March 24, 2010

[The Speaker in the chair]

Prayers

The Speaker: Welcome.

Let us pray. Grant us daily awareness of the precious gift of life which has been given to us. As Members of this Legislative Assembly we dedicate our lives anew to the service of our province and of our country. Amen.

Please be seated.

Introduction of Visitors

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

Mr. Mitzel: Thank you, Mr. Speaker. It gives me great pleasure to rise and introduce to you and through you to all members of this Assembly a good friend of mine, His Worship Alan Hyland, who is seated in your gallery. Mr. Hyland served as a Member of the Legislative Assembly of Alberta. He was number 497 for 18 years. He was first elected on March 26, 1975, and re-elected in 1979 and 1982 for the constituency of Cypress. He was re-elected for the constituency of Cypress-Redcliff in 1986 and 1989, and he served until 1993. That same constituency is now Cypress-Medicine Hat, which I have the honour to represent. Mr. Hyland is also currently the mayor of Bow Island. I would like all members to join me in welcoming Mr. Hyland once again to our Legislature.

Introduction of Guests

The Speaker: The hon. Minister of Service Alberta.

Mrs. Klimchuk: Thank you, Mr. Speaker. It's a pleasure to rise today and introduce to you and through you to all members of the Assembly some very special guests on behalf of the Minister of International and Intergovernmental Relations, as she is out of the House today. I would like to welcome the grade 6 class of Mills Haven school, and I'll read into the record the parent volunteers and the teachers. We have two teachers, Mrs. Irene Kolomijchuk and Mr. John Murphy. We have parent helpers Mrs. Sandra Chomyc, Mrs. Roxanne Miskiw, Mrs. Corinne Wiseman, Mr. Neil Ganske, Mrs. Jackie Francis, Mr. David Hauf, Mrs. Jenn Matz, and Mrs. Christine Maletz. Please join me as I ask them to rise and receive the traditional warm welcome of the Legislative Assembly.

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

Mr. Vandermeer: Thank you, Mr. Speaker. It's my pleasure to rise today and introduce to you and to all members of this Assembly students from the Abbott elementary school, located in my constituency. The students are accompanied by their teachers, Adele Edmondson and Nicole Christian, and parent helper Cheryl Johner. They are seated in the public gallery, and I would ask them to rise and receive the traditional warm welcome of this Assembly.

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

Ms Notley: Thank you very much, Mr. Speaker. On behalf of the hon. Member for Edmonton-Highlands-Norwood I am pleased to introduce to you and through you 15 students here from R.J. Scott

elementary school, which is within the constituency of Edmonton-Highlands-Norwood. They are here today to observe what's going on in our Legislature, and they are sitting, I believe, in the public gallery. They are accompanied by their teacher, Miss Robyn Davies, and I would ask that they now stand and receive the warm welcome of this Assembly.

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

Mr. Bhardwaj: Thank you very much, Mr. Speaker. It's an honour today to rise and introduce to you and through you a good friend and a prominent member of the community, Mr. Radhe Gupta, president and CEO of the Rohit Group of Companies, seated in the members' gallery today. At the Canadian Home Builders' Association's annual awards of excellence the Rohit Group was recognized with many awards, including the most prestigious Edmonton home builder of the year. The Rohit Group is also known for being very active in building affordable housing units, as seen in the Greenview community. He is joined today by his wife, Krishna Gupta – please rise as I call out your names – his son Rohit Gupta with his wife, Neelam Kainth, as well as associates Russell Dauk and Dennis Mack. They're good constituents of Edmonton-Whitemud as well. Please give them the traditional warm welcome of the Assembly.

The Speaker: The hon. Member for Livingstone-Macleod.

Mr. Berger: Thank you, Mr. Speaker. It is my pleasure to rise today to introduce to you and to all members of this Assembly two gentlemen who have been very active volunteers in the pursuit of promoting safe and environmentally sustainable recreational trails and trail use in Alberta for all user groups, from hikers right through to snowmobiles. Their vision is to provide the opportunity for people to view and enjoy Alberta's unending beauty and natural landscapes through responsible trail development and use. I would ask them to rise as I introduce them: representing the recreation trail user coalition, from the constituency of Drayton Valley-Calmar, Mr. Brent Hodgson; and representing the southwest trails advisory council, from my constituency of Livingstone-Macleod, Mr. Glen French. I ask the Assembly to give them the traditional warm welcome.

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

Mr. Olson: Thank you, Mr. Speaker. I'm very happy today to be able to introduce four great Camrose volunteers and community leaders who are seated in the members' gallery. They're here today to have lunch with me to discuss the Bailey Theatre project, which is the restoration of Alberta's oldest performing arts theatre. I'm going to be making a member's statement a little bit later about this theatre, but right now I'd ask that they all stand as I call their names and remain standing. They're the president of the Bailey Theatre Society, Dan Olofson; vice-president, Ross Shuman; director, Gerry Piro; and architectural adviser, David Roth. I'd ask that they receive the warm welcome of the Assembly.

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

Mr. Bhullar: Thank you very much, Mr. Speaker. It's indeed an honour today to rise and introduce some wonderful constituents and dear friends of mine, the first of whom is Joginder Brar, who is a resident of the fabulous constituency of Calgary-Montrose; as well as Mr. Lakhvir Singh Brar, who conducts business in Calgary-Montrose; Mr. Jatinder Singh Tatla; Mr. Satish Narang; and Mr.

Harjinder Ahluwalia. They have risen already, and I'd ask all members of the Assembly to give them a warm welcome.

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

Dr. Sherman: Thank you, Mr. Speaker. I'm pleased to introduce to you and through you to all members of this Assembly two brilliant young students from the University of Alberta. The first is Kevin Tam. He is the outgoing president of the University of Alberta Conservative Association. The second is Adam Risling. He is the incoming president of the U of A Conservative Association. These two young men are fourth- and third-year political science students with aspirations of careers in politics and possibly becoming Members of the Legislative Assembly of Alberta. I'm hoping that one of them will take my seat, and then there will be another one of them who will need another seat. These students are our future leaders, hoping to bring change and inspiration to the people of Alberta. With young people like these two gentlemen, our future is bright indeed. I encourage all members of the Assembly to listen to them because they might replace them one day. I'd like the members to give these young people a warm welcome, and I'd ask Adam and Kevin to rise and receive the traditional warm welcome of the Assembly.

1:40 Members' Statements

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

Lauren Woolstencroft

Ms DeLong: Thank you very much, Mr. Speaker. Today is a very proud moment for us. I rise to recognize the recent accomplishments of the daughter of a former Legislature Building staffer. Dorothy worked in Premier Lougheed's office from 1975 until 1979, when she and her family, Mark and Frank, relocated to Calgary. Two years later Dorothy's daughter was born. She was missing her left arm below the elbow and both legs below the knees. Dorothy says that her daughter got her prosthetic arm at six months. "It was always said to us that if she thinks of herself with two equal arms, that's how she'll grow up. The same with her legs. She grew up with that idea. She's very strong." And Dorothy Woolstencroft's daughter Lauren surely is.

At age 14 Lauren started skiing. In 1998 she joined Canada's para-alpine ski team, winning over 50 medals, including eight World Championship titles. In recent weeks Lauren Woolstencroft has been a media hit. Twenty-eight-year-old Lauren triumphantly scored five gold medal wins during the 2010 Vancouver Paralympics. Despite what many of us may view as a challenge, to Lauren her powerful spirit has shown us all that it can be done.

Mr. Speaker, I stand to give recognition to a tremendous Paralympic athlete and offer heartiest congratulations to Lauren Woolstencroft. This is a proud moment for this Assembly. To Dorothy and the entire family: we commend you for your support in Lauren's life accomplishments. Best wishes, Lauren. Maybe we will see you in Sochi in 2014.

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

Bailey Theatre Society

Mr. Olson: Thank you, Mr. Speaker. This coming Saturday is World Theatre Day, something that probably a lot of us didn't realize. Theatres across Alberta have been a vital component of their communities for many, many years, and Camrose is no

exception. I can remember as a kid spending a lot of time in the local theatre, the Bailey Theatre. Besides watching movies, we did stuff like lick on suckers and try to stick them to the screen and dropping popcorn from the balcony. Then there was always going out on a date.

The Bailey Theatre was originally called the David Theatre. It has been an institution in Camrose for over a hundred years. It is actually Alberta's oldest performing arts theatre. In its early days it was home to vaudeville performances, silent movies, and in 1935 it had its first talkie. It continued to be an integral part of the community during the war years, providing entertainment and dances and so on. However, it kind of fell on tough times in the mid-1990s, when a multiplex opened in town. Eventually, it could no longer compete and was forced to close.

But there has been a dedicated group of people working to restore this theatre for years, and they are getting closer. The Bailey Theatre Society is a nonprofit society formed in 1996, and they've been working hard to open the doors again. Due to their tireless efforts this oldest performing arts theatre in Alberta may soon have a new lease on life. It's an Alberta gem, not just a Camrose gem. When it opens, it'll be a tourist destination, and beyond that it will again be the heart and soul of the community.

I want to thank the people who've been working so hard to make this a reality. I'm looking forward to attending many performances there myself, and I invite all of my colleagues to come to Camrose and have a look.

Thank you.

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

School Closures

Mr. MacDonald: Thank you, Mr. Speaker. Fifteen public schools have already been closed in Edmonton since 2002. Almost 7,000 student spaces have been eliminated. Enough already. This afternoon I ask again that the Edmonton public school board halt all actions to close the five public schools in Edmonton's central neighbourhoods that they are contemplating voting on closing next month.

There are two reasons for my request. First, a proper assessment of the new census data collected last year by the city of Edmonton has not been done. This data reveals an increase in the number of preschoolers residing in our city. We have seen an increase of over 9,200 preschoolers, or a 30 per cent increase, in the last four years. The conclusion that must be reached is that there will be more students in the very near future, not less, and not all of them live on the edge of the city.

Second, the province is finally making changes to the flawed utilization rate. These changes could be announced on May 3, less than three weeks after the planned vote on these public school closures. Why use a flawed utilization formula, which penalizes the very schools under threat of closure?

Citizens have asked me directly what they pay locally and what we pay together across the city in education property taxes. For instance, locally Capilano district pays annually over \$1 million in school taxes, but they could lose their school under the Edmonton public school system. Edmontonians last year paid \$316 million in school taxes, an increase of \$55 million, or a 20 per cent increase, in the last five years. Taxpayers cannot understand with these increases why it is necessary to close more public schools. In fact, many are considering as a form of tax protest supporting the separate system.

Thank you.

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

Fraser Institute Elementary School Report Card

Mr. Fawcett: Thank you, Mr. Speaker. The Fraser Institute has just released its 2010 report card on Alberta's elementary schools, which rates and ranks schools' performances primarily using grades from standardized achievement tests. This report has elicited applause from some but skepticism from others as to the usefulness of these rankings. Obviously, some schools do better than others, and that's for a number of differences. We cannot just simplify our approach to outcome measurement.

However, it is my personal opinion that this report card is not an end in itself but a beginning of a process that should lead us to ask some very important questions about education in our province and in each individual school no matter whether they're at the top of the rankings or at the bottom. In fact, I believe these questions will be different for each individual school in its unique context and bring to light much broader and substantive information about what works and what doesn't work in our schools and what success looks like for each individual student. Facilitating a comparison is not a bad thing if we maintain perspective. It can help schools and school boards with their decision-making, and it can help students and parents as well.

Mr. Speaker, I'd like to congratulate the many schools that attained a high standard, particularly those in the Calgary region, which comprise 66 per cent of the top 5 per cent ranked schools. Of particular interest for me was the Capitol Hill elementary school, which is located in my constituency of Calgary-North Hill, which was ranked number 9 out of the 642 schools across the province. This is quite an achievement, that could be shared with school staff, teachers, students, and parents. I will not apologize for offering my congratulations to them for their hard work and commitment to academic excellence.

Mr. Speaker, overall this report card suggests Alberta is providing leading-edge education for our children. Again, we should not apologize for that. I applaud the Fraser Institute and similar groups in Alberta that contribute to policy dialogue that provides us food for thought and valuable insights into important issues and an opportunity to celebrate our successes.

Thank you, Mr. Speaker.

Honeybee Industry

Mr. Drysdale: Mr. Speaker, I rise today to highlight the importance of Alberta's honeybee industry. I want all Albertans to understand how vital this industry is to Alberta's economy and to our quality of life. You may ask: what's all the buzz about? The honeybee is considered a keystone species. We eat the food they produce, we eat the food they pollinate, and we eat animals that also depend on the plants they pollinate. Some sources suggest that up to 70 per cent of global food crops depend on the honeybee.

In Alberta our honeybees not only help to feed us; they feed the provincial economy. In 2009 Alberta's industry generated nearly \$45 million in honey production. In fact, we are Canada's largest honey producer. In terms of pollinating canola, clover, and hay, the value is over \$350 million.

However, as important as this industry is, it faces some serious challenges. Unusually cold conditions, mites, and disease threaten the survival of colonies across the province.

But there is good news as well. Alberta's beekeepers and the Alberta government are working together to ensure the long-term success of this industry. This government is studying the causes of winterkill, developing a honeybee pest surveillance system,

introducing an integrated pest management system, and developing effective treatments. In addition, the bee industry has access to several business risk management programs that meet their unique needs. I encourage all beekeepers to participate in honeybee production insurance, the AgriStability program, and AFSC's new winterkill insurance program, the first of its kind in western Canada.

Mr. Speaker, our government will continue its efforts to protect the health of our honeybees and the beekeeping industry. I encourage all Albertans to consider the importance of this key industry when they enjoy their next meal because the success of our agricultural sector and the nourishment it offers owes a lot to the humble honeybee.

1:50

Oral Question Period

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

Role of Auditor General

Dr. Swann: Thank you very much, Mr. Speaker. We believe the Auditor General has done everything in his power to be effective and appropriate in his role. A report written by a former deputy minister of Executive Council was distributed this morning, and given the statements in this report, it's hard to believe it's anything more than a partisan attack advocating for the Auditor General to be muzzled. To the Premier: does the Premier agree with the claim in the report that in the last six years the Auditor has overstepped his mandate and impinged on government's policy-making role?

Mr. Stelmach: Mr. Speaker, I haven't read the report. I don't know what document the hon. leader is referring to. All I ask is an opportunity to look at it, and I can comment further on it. I certainly haven't seen it, and I'm not quite sure which body put it out.

The Speaker: The hon. leader.

Dr. Swann: Thank you, Mr. Speaker. Well, we'll table the report today. The report blames the Auditor for the government's failure to act on his recommendations. Does the Premier also blame the Auditor General for his government's failure to act on recommendations?

Mr. Stelmach: Once again, I'm not sure what the hon. Leader of the Opposition is talking about. The report: we'll have a look at it. But it's written by someone that's not a part of government, not an officer of the Legislature, nor a member of Executive Council. When people leave this office, they're certainly open to their opinions.

Dr. Swann: Well, I'm asking the Premier for his opinion.

Again, Albertans deserve a strong Auditor that ensures accountability rather than being a puppet of the Premier. Will the Premier commit to expanding the role of the office of the Auditor General as opposed to what is being recommended, to reduce its role?

Mr. Stelmach: Mr. Speaker, once again, I can't respond to something I haven't seen. Again, this is a report written by someone who has retired from government. There are many authorities, different think tanks that put out reports just about every second day, and I'm not going to be commenting on all of them. I'll have a look at the report and see what the report says.

Speaker's Ruling Item Distributed to Members

The Speaker: The report in question was provided to my office by a consultant to the University of Alberta who was doing a special report for the department of economics, as I recall. He asked as a courtesy if I would provide it to all members for their information. The author is not related to any agency of government. He did it for the University of Alberta.

Second Official Opposition main question. The hon. Leader of the Official Opposition.

Pharmaceutical Benefit for Seniors

Dr. Swann: Well, thank you very much, Mr. Speaker. Yesterday, when questioned on the new seniors' pharmaceutical plan, the Premier responded that they're still working on the details, details of a plan that was announced in 2008, changed in 2009, will be implemented in three months, but is still a confused mess. To the Premier. At an income level of \$24,000 seniors begin to pay premiums that total almost \$400 annually. Does the Premier agree there is a program in place to assist those fixed-income seniors that will soon have to pay another premium they cannot afford? Is there a program in place?

Mr. Stelmach: Mr. Speaker, we have, if not the best, one of the best seniors' supports programs in the country of Canada. We will continue to support seniors with respect to prescription drugs, eyeglasses, dentures. We do provide other programs in terms of supporting seniors with improvements in their homes, whether their hot water tank goes or a furnace. They can all apply, you know, as low-income seniors for support. Those programs will definitely continue.

Dr. Swann: Well, again to the Premier. Seniors still do not know whether they have to opt in or opt out of this program. Which is it? Or do the details still need to be worked out?

Mr. Stelmach: I know that the present policy is in place, and that is supporting seniors. I believe something like 80 per cent of prescription drugs are covered by the taxpayer. About 60 per cent of seniors are supported through various programs in terms of the cost of their pharmaceutical needs.

The Speaker: The hon. leader.

Dr. Swann: Thank you, Mr. Speaker. These changes are going to end up making private insurance companies more money because now they can drive up their rates. How is giving Alberta seniors the choice between paying the government more or paying the insurance companies more a real choice?

Mr. Stelmach: Mr. Speaker, once again the hon. Leader of the Opposition is making a supposition, a prediction that's not based on fact. We will work through these details in time.

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

Economic Diversification

Dr. Swann: Thank you, Mr. Speaker. Last night David Emerson, the chair of the Premier's Council for Economic Strategy, suggested Albertans should be content to be hewers of wood and drawers of

water. From Aberhart to Manning to Lougheed, past Premiers have worked hard on economic diversification with report after report on the benefits. An Alberta Liberal government would be implementing many of these recommendations. Why has the Premier abandoned the long-standing pursuit of economic diversification?

Mr. Stelmach: Mr. Speaker, just before I answer the question, that is a misrepresentation of what was said yesterday by Mr. Emerson. It's too bad, again, misrepresented here in the House, a person that many Canadians look up to, well experienced in the business sector, and then to have his words misrepresented here is, well, certainly not the way we do politics in this province.

With respect to diversification, if the hon. member would just look at the whole speech, read what ideas are coming forward in terms of dealing with the huge economic global shifts and what we have to do in terms of adding value to our natural resources, it's not simply just taking a two-by-four and converting it to a door jamb. There are other things we can do on the productivity side to improve our competitiveness.

Dr. Swann: That's what we're suggesting, Mr. Speaker. Alberta's workers are some of the best trained and educated in the world. Don't they deserve better? Don't they deserve better than foraging for other countries' benefits?

Mr. Stelmach: Mr. Speaker, one of the things that was said by Mr. Emerson is that he was commending Alberta to look to international and national experts in various fields to look 10, 20, 30 years ahead and see what we must do over the next few years to prepare for these huge global economic shifts. As I said, sometimes it's not politically advisable to do that because we might have to look at long-term policy changes to make sure that the best workers, the safest workers that are here in Alberta will continue to have jobs well into the future.

The Speaker: The hon. leader.

Dr. Swann: Thank you, Mr. Speaker. Will the Premier commit to confirming economic diversification as a basic tenet of Alberta's development and to taking real action?

Mr. Stelmach: It's already started. Bill 1, the Alberta Competitiveness Act, is one step in that direction. In order to attract investment from other parts of the world, we must be competitive not only to reach out to more people working but also in terms of the investment that's necessary to drive the diversification in this province.

The Speaker: The hon. Member for Airdrie-Chestermere.

Funding for Special-needs Foster Children

Mr. Anderson: Thank you, Mr. Speaker. Yesterday in question period the Premier accused opposition members of politicizing the issue of children in foster care. As a brother to a formerly orphaned sister and as someone who has personally assisted family members with caring for foster children, I take exception to this Premier's insinuation that holding this government accountable for how they are protecting children is somehow out of line. To the Premier: will he commit to Albertans that he will make it his number one priority to clean up what appears to be a very serious problem in the ministry of children's services?

Mr. Stelmach: First of all, I don't accept the insinuation by that member of what he said. I was very clear yesterday. There were

further comments made in the media and in the news conference yesterday in terms of when the member heard about this and when it was brought to the floor of this Legislature. All I said was that it's totally inappropriate to have people, foster parents and in this case children with autism, agonizing three, four, five days before this matter was brought to the House. That is not appropriate. You can still bring it up in the House in question period. You can hold news conferences. You can do everything you want, but advise the minister of what's happening there because it's not fair to the foster parents of this province.

Mr. Anderson: To the Premier: given the minister of children's services has said that she had instructed her staff not to cut funding for foster care, which she says was ignored, will he or the minister table that order and disclose any disciplinary action taken against staff on this issue so that this House and Albertans can verify the minister's version of events and be assured that action is being taken to better protect children in foster care?

2:00

Mr. Stelmach: Mr. Speaker, in terms of the front-line staff I have great confidence in Children and Youth Services. With respect to the management my understanding is that the CEO has tendered resignation and will be pursuing other things in terms of opportunities.

Mr. Anderson: To the Premier, last question: will he commit to Albertans today that before this government considers cuts to those who care for our most vulnerable kids or to the disabled or to the mentally ill or any other highly vulnerable Albertans, he will first roll back his own salary, his cabinet's salaries, his chief of staff's bloated salary, his massive office budget, and cut the hundreds of millions in corporate welfare handouts proposed?

Mr. Stelmach: Mr. Speaker, with respect to the member I already last year said I'd be reducing my salary by \$12,000; every cabinet member, \$6,600. In terms of the bonuses, that has been eliminated. That's over \$40 million. As per Members' Services we have not accepted the average weekly earnings for the last two years. That has been held down. All those savings have been accrued. I will say one thing, though. There were never, ever any cuts to the services. That is inappropriate. In fact, the budget has been increased close to a million dollars, \$910,000, so the statement made by that member is absolutely irresponsible.

Children and Youth Services Budget

Ms Notley: Mr. Speaker, we have just learned that the CEO of region 6 of Children and Youth Services resigned today. This comes two days after government blamed staff for cuts to foster care and several weeks after government subjected region 6 to an effective rollback of 6 per cent. To the Premier: will you admit that it's your government's refusal to accept responsibility for the unavoidable consequences of your budget cuts that has created the crisis we are dealing with now?

Mr. Stelmach: Mr. Speaker, there are no budget reductions. In fact, the budget has been increased by \$910,000.

Ms Notley: Now, notwithstanding this Premier's failure to understand that it is actually the role of opposition to shed light on matters the government wants kept secret, given this government's fantastic claim that the children's services ministry can absorb \$34 million in

cuts without affecting front-line services to children and given that this has been shown repeatedly to be false, why won't the Premier accept responsibility and admit that no matter how many staff he blames, children in care cannot be properly protected at the same time government cuts funding?

Mr. Stelmach: Mr. Speaker, in fact, yesterday I was very emphatic during the news conference that any hon. member – government side, opposition – can bring anything forward to the Assembly. That's not the issue. But to keep it – keep it – under wraps, knowing quite well that this information was given to that member, and holding it secret for five days and agonizing families needlessly is not appropriate. Like I said, just go out and ask the parents. Would you like to sit and have that information and keep people under that agony for five days and then raise it here in the House? You still could have raised it here on Monday. You could have had five news conferences during that period of time, but you should have notified the minister immediately.

Ms Notley: I'd like to raise a point of order, Mr. Speaker.

Now, given that the Premier and his minister remain willfully blind to how a policy to reduce child support actually impacts defenseless children and given the Premier's penchant for blaming outsiders for exposing the incompetence of his insiders, why won't the Premier set an example of responsible leadership and commit to protecting every dollar that is currently funding kids and families served by the Ministry of Children and Youth Services?

Mr. Stelmach: Mr. Speaker, we will continue to protect and support children of this province in the care of the government. There are over 9,200 children that are under the care and supervision of the government. I can tell you one thing. At the end of the day any report or suggestion that we have cut the budget is not true. In fact, every member is free to have their own opinion and also have their own version of the facts. But at the end of the day the budget has been increased by \$910,000, so it's totally inappropriate to say that we cut the budget.

The Speaker: Hon. Member for Edmonton-Strathcona, I've got notice that you want to raise a point of order. Will it be about preambles?

The hon. Member for Calgary-Currie, followed by the hon. Member for Calgary-Bow.

Residential Building Codes

Mr. Taylor: Thank you, Mr. Speaker. During the 18 months, one and a half years, that this government knew sprinklers should be on balconies, in attics, and crawl spaces in multifamily housing before they did anything about it, over 20,000 housing developments were started in this province. We all know what happened in British Columbia when they had frenzied growth and inadequate building codes: a billion-dollar repair bill to fix leaky condos. To the Minister of Municipal Affairs: given that Alberta was experiencing one of the highest levels of multifamily housing starts in 27 years and the government failed to strengthen building codes at that time, what liability is the province now facing for this government's lack of action?

Mr. Goudreau: Mr. Speaker, as I indicated yesterday, previously we had some of the strongest and best building codes of any other jurisdiction. The additions and the changes that we've done, again, were two years ahead of any other jurisdiction as well. I'm very proud to indicate that we have the best building codes in the country.

The Speaker: The hon. member.

Mr. Taylor: Thank you, Mr. Speaker. I thought this was question period, not storytime. The fact remains that those building codes: you sat on the changes for 18 months.

B.C. provided interest-free loans to fix their shoddy construction. Will this minister enact a similar program for condo boards to upgrade their buildings to improved standards?

Mr. Goudreau: Mr. Speaker, we are looking at some of the causes of those activities. At this stage I can say that we're not looking at providing any financial assistance towards renovations.

The Speaker: The hon. member.

Mr. Taylor: Thank you, Mr. Speaker. Then what is this minister prepared to do to keep insurance companies from holding condo boards hostage in Alberta if they don't retrofit their buildings to match the new regulations?

Mr. Goudreau: Mr. Speaker, it's always difficult to go retroactively. Our new building codes are meant for new construction, and as we move forward, we're going to have stricter and tougher standards. We're not going to retroactively look at that. We had done that with the fire alarms and found it extremely difficult to retrofit buildings even to accommodate that portion.

The Speaker: The hon. Member for Calgary-Bow, followed by the hon. Member for Calgary-Buffalo.

Health Facilities Infrastructure

Ms DeLong: Thank you very much, Mr. Speaker. A Calgary newspaper has raised concerns recently about the physical condition of our health infrastructure. Sure enough, our own government's Infrastructure business plan states that the condition of health facilities is expected to decline in the next year. My question is to the Minister of Infrastructure. How can you claim that the maintenance of health facilities is well funded when your very own business plan is forecasting a decline?

Mr. Danyluk: Well, first of all, Mr. Speaker, taking a long-term strategic approach to our infrastructure planning is what Albertans expect of this government. We are using internationally recognized standards to evaluate the maintenance needs across the province, and this helps us measure our facilities and be able to plan ahead. We need to ensure that our capital plan funds are invested in the proper areas. The health facility maintenance is well funded . . .

The Speaker: Maybe we can move on.
The hon. member.

Ms DeLong: Thank you. To the same minister: with 2 per cent of health facilities in poor condition should my constituents be concerned about the condition of health buildings and, in particular, Calgary hospitals?

Mr. Danyluk: Well, Mr. Speaker, in order to have the best infrastructure in North America, we need to measure the condition of our facilities, and we're doing exactly that. We previously had nine separate health regions which used different evaluations for those buildings. The methodology varied. What we have done now is

taken all of those buildings into one system, an international system, and we have consistent information.

The Speaker: The hon. member.

Ms DeLong: Thank you. To the same minister: what is the go-forward for the next few years, and are we being responsibly proactive in addressing our maintenance challenges?

Mr. Danyluk: Well, Mr. Speaker, I believe that we are acting very responsibly by ensuring that the maintenance of our health facilities is well funded. Because of our maintenance investment we're projecting that the condition of our health facilities will improve. This is a goal for our government. It is an evaluation, and we expect that 95 per cent of our health facilities will be in good or fair condition. That is a very positive direction.

2:10 Grizzly Bear Protection

Mr. Hehr: Mr. Speaker, the Endangered Species Conservation Committee has now recommended for the second time that the grizzly bear be listed as a threatened species. This comes as no surprise to anyone except, possibly, the minister. The status report, complete with a DNA study paid for by the taxpayers, is finished. The committee has made its recommendation. There are no more excuses to delay action. To the Minister of SRD: why won't the minister take the necessary steps to save the grizzly bear?

Mr. Knight: Mr. Speaker, the fact of the matter is that we are. In fact, we will take the opportunity that has been presented to us now by the receipt of the information from the endangered species committee. We will have an opportunity for all of our government colleagues to take a look at that information and determine the appropriateness of our actions following that.

The Speaker: The hon. member.

Mr. Hehr: Well, thank you, Mr. Speaker. Thank you for that answer. With that answer are you saying that you'll be listing the grizzly bear as a threatened species?

Mr. Knight: Mr. Speaker, what I said was that I'm in receipt of the report, and we are going to look at the report. The government and government members will have an opportunity to also look at the report, and then we will make the appropriate decision at that point.

The Speaker: The hon. member.

Mr. Hehr: Thank you, Mr. Speaker. A similar report was given in 2002, when the science backed the same sort of information this one has given you. When can we expect a decision from your government, then, on if your government will follow this recommendation to make the grizzly bear an endangered species?

Mr. Knight: Mr. Speaker, for the third time, I am in receipt of the information, very well done. By the way, this has been going on for a number of years, back to, probably, the late '90s. I have the information, and government members will have an opportunity to advise me with respect to what will be the appropriate decision we will make at that point.

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

Temporary Foreign Workers

Mr. Benito: Mr. Speaker, my first question is to the Minister of Employment and Immigration. Many foreign workers who are working temporarily in our province want to stay permanently. What is your office doing to help them become permanent residents of Alberta?

The Speaker: The hon. minister.

Mr. Lukaszuk: Thank you, Mr. Speaker. I can't blame them; I think anybody who comes to Alberta would love to stay in Alberta.

We're working very closely with the federal government. Right now our government has issued about 4,000 certificates nominating workers, so approximately 10,000 Alberta temporary foreign workers have been allowed to stay here in this province.

Mr. Benito: Back to the same minister. Being a proud immigrant to this province myself, I can understand why a temporary foreign worker would want to stay here. Can you provide clarification on who gets to stay?

The Speaker: The hon. minister.

Mr. Lukaszuk: Well, thank you, Mr. Speaker. I guess I'm an immigrant, too. The jury is still out on whether I'm a skilled or unskilled worker, but I guess that remains to be determined.

Number one, they have to have an employment contract or secured employment in this province, and for a foreign worker to stay, they have to meet all of the requirements set forth by the federal and provincial governments and meet all the criteria. But employment is the number one prerequisite, and obviously there has to be a need, economically speaking, for this employee to stay.

Mr. Benito: My final question is to the same minister. Are all foreign workers currently working in Alberta eligible to apply for permanent foreign residency under the Alberta immigrant nominee program?

Mr. Lukaszuk: Well, not all, Mr. Speaker. Number one, as I said earlier, they have to have full-time employment. That is a must. They also must fall into the skilled or semi-skilled category. The skilled category would include individuals like pharmacists, accountants, engineers, and plumbers and welders. Semi-skilled are individuals working in the food processing and hospitality industry, truckers, and others. Those are the two large, overarching categories that they must fit into.

Funding for Postsecondary Education

Dr. Taft: Mr. Speaker, the Minister of Advanced Education and Technology has been playing word games with information about this government's funding for universities. Well, the game is up. The province's cuts to the University of Alberta will be public in the next few days. To that minister: why hasn't the Minister of Advanced Education been honest with the public and openly told people that the government's funding for the U of A is going to lead to serious hardships?

Mr. Horner: Well, Mr. Speaker, first of all, I take exception to the insinuation that I haven't been honest with this House. That is entirely not the truth, and the hon. member should probably retract that statement.

Dr. Taft: Well, since the minister has already been briefed on the U of A's budget, will he now have the guts to tell this Assembly how many staff positions at the U of A are going to be lost because of this government's cuts?

Mr. Horner: Mr. Speaker, the University of Alberta's budget, when you remove prepaid amounts from the previous year, when you take the new funding framework plus the EPE that was in there last year, is at a zero base budget from what the granting program was last year. The hon. member is quite aware, as I think it's been widely reported in the media, that there are other, extenuating circumstances that have affected the U of A's budget. Quite frankly, we fund about 63 to 64 per cent of what the operating budget is at the University of Alberta. The hon. member, I'm sure, knows this.

Dr. Taft: Well, Mr. Speaker, the word games continue. The facts will be clear by the weekend. Given that this minister knows that enrolment at the U of A is going to be cut because this government has failed to keep its word, how many student spaces will be eliminated at the U of A this fall, Mr. Minister?

Mr. Horner: Well, again, Mr. Speaker, the growth at the university, as per the previous meetings I've had with the provost at the university, is going to be slowed. The growth: that is not a cut; it's slowing down the growth at the University of Alberta because of the economic condition that we're in. We look forward to the years to come to renew the type of growth that we've had in the province, second to none I would add.

The Speaker: The hon. Member for Edmonton-McClung, followed by the hon. Member for Calgary-Fish Creek.

Anthony Henday Drive

Mr. Xiao: Thank you, Mr. Speaker. Today the government announced that construction would begin on the Cameron Heights interchange. The traffic congestion on the southwest section of Anthony Henday Drive has been a source of ongoing concern and frustration for my constituents and for all Edmontonians and Albertans who use the ring road. My questions are to Minister of Transportation. When will motorists finally see some relief from the gridlock on Anthony Henday Drive?

Mr. Ouellette: Well, Mr. Speaker, the province is delivering on its commitment to complete the Edmonton ring road by 2015. I'm pleased to say that construction on the Cameron Heights interchange will begin later this year and that it will open to traffic in the fall of 2011. That removes the final set of lights off the Anthony Henday and makes sure it will improve traffic flow and safety for all of our motorists.

Mr. Xiao: My second question is to the same minister. With the construction already under way building interchanges at Lessard Road, Callingwood Road, and Stony Plain Road, is there a concern with adding yet another construction zone on the Henday at Cameron Heights?

Mr. Ouellette: Well, Mr. Speaker, our contractors have to follow very strict rules on safety standards and keeping traffic moving through construction zones. We appreciate the patience that motorists in Alberta have during construction, and we believe that the small delays will yield large gains. As the Premier has said, investment in infrastructure is critical to our economic recovery, and as the Minister of Transportation I would like to . . .

The Speaker: I'm going to recognize the hon. member.

Mr. Ouellette: Okay.

Mr. Xiao: Yes. Thank you, Mr. Speaker. I can tell the minister that, you know, this is a great problem in my constituency. While my constituents are enthusiastic about these new interchanges, they have also expressed a concern over the noise coming from the ring road. My final supplemental is to the same minister.

The Speaker: Hon. member, you have raised the question.

2:20

Mr. Ouellette: Well, Mr. Speaker, I think he was talking about noise. The noise levels on the Anthony Henday are below all of our levels. The department measured the sound levels near the homes on the southwest section, and the levels are below the provincial guidelines of 65 decibels. These levels are also expected to remain there for the next 20 years, and this member darn well knows that that's the way it is.

The Speaker: The hon. Member for Calgary-Fish Creek.

Residential Addiction Treatment Funding

Mrs. Forsyth: Thank you, Mr. Speaker. When I was a member of the government, I had the privilege of chairing the Alberta Crime Reduction and Safe Communities Task Force. One of the key principles behind this task force was putting a top priority on children, youth, families, and communities. The very first recommendation was to increase the number of treatment beds for alcoholism, drug addiction, and dual diagnosis of both mental illness and drug addiction. My questions are to the Minister of Employment and Immigration. Since the Premier has agreed to implement all of the recommendations from the safe communities task force, why are you limiting the addiction treatment room and board fees to only six weeks?

Mr. Lukaszuk: Mr. Speaker, this member is speculating about what I may be doing. I have not indicated that we will or will not be limiting. However, I am in consultation with our minister of health. We want to make sure that Albertans who require this treatment will receive it. Keep in mind that this ministry only pays for room and board in treatment centres, not for the actual medical treatment of addictions.

The Speaker: The hon. member.

Mrs. Forsyth: Thank you. Mr. Speaker, the minister doesn't understand that addiction treatment takes months to help someone, not a few weeks.

What is the minister doing to resolve the funding questions, as he alluded to, between his department and Alberta Health and Wellness?

Mr. Lukaszuk: Well, Mr. Speaker, this minister understands it very well. This minister also understands – and I find it surprising that a member of that particular political party wouldn't – that I have to live within the parameters of my budget. It sounds like it's a spending day on the other side. We are proud in supporting Albertans who need help. We are paying for their room and board in residential rehabilitation facilities, but obviously there has to be a limit on how long an individual can stay in a rehab centre.

Mrs. Forsyth: Mr. Speaker, it's not about spending. It's about doing what is right for the people of this province.

Since people suffering from addictions need structure and certainty, when will this minister give the agencies and clients the funding they need?

Mr. Lukaszuk: Well, Mr. Speaker, spending is spending is spending. When they're asking to spend, it's doing the right thing. When I'm spending, they're saying that we're spending too much or spending like drunken sailors.

Mr. Speaker, we are committed to supporting Albertans who are recovering from addictions. We are paying their room and board. Obviously, there has to be some form of cap on how long a person can stay in a rehabilitation facility. I will be working with the minister of health to make sure that the limit is adequate for individuals to recover and become productive members of our society.

The Speaker: The hon. Member for Edmonton-Gold Bar, followed by the hon. Member for Bonnyville-Cold Lake.

Education Property Tax

Mr. MacDonald: Thank you, Mr. Speaker. Page 68 of the fiscal plan for Budget 2010 states that the province of Alberta will collect in education property taxes \$1,592,000,000. My first question is to the minister of finance, please. Does the amount to be collected, \$1,592,000,000, include the \$199 million collected by opted-out school boards?

Thank you.

Dr. Morton: Mr. Speaker, I don't know the answer to that specific question, but I'd be happy to get the answer to the member.

The Speaker: The hon. member.

Mr. MacDonald: Thank you, Mr. Speaker. I guess the hon. minister of finance was an elected Senator-in-waiting, and now I can see with that answer that he's not selected as the Premier-in-waiting.

The Speaker: Is that your question? You don't have a preamble. The hon. minister.

Mr. MacDonald: Given that \$69 million more in education property taxes . . .

The Speaker: Hon. Minister of Finance and Enterprise, I recognized you about 20 seconds ago.

Mr. Hancock: Mr. Speaker, first of all, in response to the first question, on page 128 of the estimates documents the \$199 million that's collected by the opted-out is clearly not part of the \$1.6 billion that's collected on the property tax. Clearly, page 128 of the Education estimates would show that to the hon. member.

The Speaker: The hon. member.

Mr. MacDonald: Thank you. To the Minister of Education, I believe. Given that \$69 million more in education property taxes will be collected in the 2010-11 fiscal year as a result of a new development, why are we failing to live up to our five-year contract that was negotiated with the teachers of this province?

Mr. Hancock: Nobody is failing to live up to the five-year deal that was negotiated. The deal has been implemented through 63 school boards, making agreements with 63 school locals. We went to arbitration on a disputed clause in the section when Stats Canada decided to change the way they formulated the calculation of average weekly earnings. That's been resolved. We have indicated to the school boards that they will be funded for the full 5.99 per cent increase that resulted from that, and as we go forward, I've indicated to the school boards that we'll be working with them to meet the needs of that contract over time but not specifically in one year.

The Speaker: The hon. Member for Bonnyville-Cold Lake, followed by the hon. Member for Edmonton-Gold Bar.

Catholic School Funding

Mrs. Leskiw: Thank you, Mr. Speaker. Many of my constituents place a very high importance on Catholic education, feeling that it instills the values which they want their children to grow up with. However, the Minister of Education is now talking about revising and even replacing the School Act. My first question is to the Minister of Education. What assurance can the minister give Albertans that we'll continue to benefit from Catholic education?

Mr. Hancock: Well, Mr. Speaker, of course they will. It's a matter of our provincial constitution that minority rights education is there. That's been exhibited across the province with respect to Catholic school education in many, many jurisdictions. I've been asked this question a number of times by school trustees. I've assured them over and over again that we respect choice in education, that we don't have any intention to change the constitution of Alberta relative to that right, and that there will be Catholic education. Instilling hope, respect, dignity, and humility in young people is a task for all educators but particularly true for Catholic educators.

Mrs. Leskiw: My first supplementary question is to the same minister. How can the Catholic school boards expect to be affected by the changes in the School Act?

The Speaker: Is there a School Act before the House, or are we speculating about the future here?

Mr. Hancock: Well, Mr. Speaker, I think it's an appropriate speculation given that I have advised stakeholders and the public of Alberta. We've gone through the Inspiring Education process, and one of the outcomes of that process will lead into a discussion of a new education act or new school act to be introduced sometime in the future in the House. I've asked stakeholders and Albertans for input into that act. With respect to Catholic schools I would hope that they would embrace that discussion and they would look at what's happening in the act as it affects Catholic education.

Mrs. Leskiw: Given that section 9 of the Human Rights, Citizenship and Multiculturalism Amendment Act, 2009, comes into effect next fall, what effect will this have on Catholic schools, Mr. Minister?

Mr. Hancock: Well, Mr. Speaker, one of the concerns, of course, of Catholic schools or any school that deals with religion is with respect to that section of the act which says that parents must have notice if a teaching or a lesson is primarily and explicitly about religion. Of course, religion permeates what happens in a Catholic school, so we must make certain that, yes, they need to give notice

where a subject is primarily and explicitly with respect to religion, but we also need to look at whether parents could be notified on an omnibus basis that if they're registering in a religious school, they ought to expect that religion will be present.

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

Residential Addiction Treatment Funding

(continued)

Mr. MacDonald: Thank you very much, Mr. Speaker. A coalition of addiction treatment centres is alarmed by funding cuts made by this government to residential addictions treatment programs. These cuts, as the hon. Member for Calgary-Fish Creek has indicated, would impose a one-size-fits-all standard. My first question is to the Minister of Employment and Immigration now that he has had time to think about the hon. member's questions. Why is the minister limiting funding to six weeks of residential addictions treatment when best practices in the field suggest that some patients simply need a longer time to recover?

The Speaker: The hon. minister.

Mr. Lukaszuk: Thank you, Mr. Speaker. Up until recently this ministry has paid \$15 per day for the cost of room and board of an individual in a residential facility for treatment. That amount has been increased now to \$40 per day. Also, the average length of stay has increased quite significantly. The majority of clients are released for medical reasons out of these facilities within roughly the same time period. We are working right now with the ministry of health to find out what best practice is, what length is required. But keep in mind that we don't determine the length of recovery; we determine the room and board costs, and that's what we pay for.

2:30

The Speaker: The hon. member.

Mr. MacDonald: Thank you, Mr. Speaker. Again to the same minister: how can the minister justify these cuts on the basis of cost savings when addiction treatment centres are warning the government that artificial time limits will probably just land patients, unfortunately, right back into treatment in the very near future?

Mr. Lukaszuk: Mr. Speaker, what this department is doing is not only paying the room and board for the person in treatment, but while that person is in treatment, fully supported by this department for room and board, treatment paid for by Alberta Health Services, we also support his or her family with a full set of benefits for being at home and for their room and board and cost of living. So the benefits are rather generous. We do what we can to support these Albertans who are suffering with substance abuse, and there are limits to what we can do with taxpayers' money.

Mr. MacDonald: Again, Mr. Speaker, speaking of limits to taxpayers' money, how can the minister justify these supposed cost savings when at the same time we can send the Minister of Justice and the Solicitor General to New York City at a cost of over \$36,000?

Mr. Lukaszuk: Well, Mr. Speaker, how do you answer a ridiculous question like that? The fact is that we have very compassionate front-line workers in our ministry that provide individuals with as much assistance as possible. Obviously, being a government, being custodians of taxpayers' money, we have certain limitations, and so

we should have. But to answer a ridiculous question, juxtaposing someone's trip to New York with recovery that costs millions of dollars . . .

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

Driver's Licence Advanced Road Tests

Mr. VanderBurg: Thank you, Mr. Speaker. I understand that in order for Alberta drivers to progress from a driver's licence to a full class 5, they must first take an advanced road test. However, these tests are not available in many centres that you and I represent in rural Alberta. To the Transportation minister: can you explain this regressive policy?

Mr. Ouellette: Well, Mr. Speaker, graduated drivers' licences were introduced in 2003. Advanced road tests were announced at the same time and implemented in 2005. I'd like to be very clear that I fully support the GDL program and the advanced road tests, that the hon. member across here has no idea about. As of January '09 all road tests, with some exceptions of commercial vehicles, must begin and end at registry agents, and the class 5 . . . [interjections]

The Speaker: Whoa, whoa, whoa. Sit down.
The hon. Member for Whitecourt-St. Anne.

Mr. VanderBurg: Well, thank you, Mr. Speaker. It seems, given that answer, that this is an attempt at centralization, moving services away from rural Alberta. Can the minister confirm this?

Mr. Ouellette: Absolutely not, Mr. Speaker. These tests are done to ensure drivers are well tested. We have to remember that driving is a privilege in Alberta. This test is a very rigorous test and includes many challenging components to ensure an active traffic environment that includes higher speed zones, a minimum number of traffic lights, marked and unmarked crosswalks, highway entrances and exits, lane changes, et cetera.

Mr. VanderBurg: Well, Mr. Speaker, given that this minister is a champion of fairness for all Albertans, can he ensure that this policy does not discriminate against rural Albertans? I think it does.

Mr. Ouellette: Mr. Speaker, this isn't about rural versus urban. This program ensures that new drivers have the skills and experience to get behind the wheel and safely operate a motor vehicle. This is about proper education and training. [interjections] I want to say that you can take a basic test anywhere, but if you want to advance test, we have now changed the program. We make sure there's an area somewhere within 60 minutes of any residence in Alberta. We want to make sure that people are safe. Rural Alberta has bigger collisions than anywhere else, and we want to make them be able to drive in the big city.

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

Farm Worker Exemptions from Labour Legislation

Ms Pastoor: Thank you, Mr. Speaker. Why do I feel that it feels like the last day of school in here?

Agriculture is one of the most dangerous industries in Canada, with each farm injury costing an average of \$10,000. This is money that comes directly out of the farmer's pocket and the health care system because this government excludes paid farm workers from mandatory WCB coverage. To the Minister of Employment and

Immigration: why does a trucker working for a corporate farm or a farm not have WCB coverage when that same trucker working for a trucking company does have that coverage?

The Speaker: The hon. minister, please.

Mr. Lukaszuk: Thank you, Mr. Speaker. Well, the simple answer is because a trucker doesn't live in his truck, and a farmer lives on his farm. The difference between farmers and other employees is that there is more work being done on a farm; there are people who actually live on a farm; children play on a farm. Putting an occupational health and safety umbrella over all of that would not be responsible. But we are looking at this with our Minister of Agriculture and Rural Development, and some development will take place.

Ms Pastoor: I'm going to try something else here. Given that in Justice Barley's 2008 report he recommended that paid farm workers be covered by the Occupational Health and Safety Act, does this minister accept that recommendation?

Mr. Lukaszuk: Mr. Speaker, I said a number of times, over and over again, to this member that the Minister of Agriculture and Rural Development and I are looking at the report, and we will make recommendations that achieve two things: keep our farmers safe but also keep them in business because the only way to make sure that a farmer doesn't get hurt is just to put him out of business, and we are not willing to do that.

Ms Pastoor: Well, after all of that it actually sounded like a no.

To the Minister of Agriculture and Rural Development: do we have a date for the release of the farm safety report? I need something a little more specific than: in due time.

The Speaker: The hon. minister.

Mr. Hayden: Thank you, Mr. Speaker. The hon. member and the opposition requested the report, and we informed them that we would release it to them. It's just in draft form. It's expected out fairly shortly.

Mr. Speaker, while we talk about that report on farm safety, it is refreshing to see that the incidents are down dramatically this year, and we're very happy to be able to invest over \$700,000 in future training for safety out there.

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

Calgary International Airport Development

Ms Woo-Paw: Thank you, Mr. Speaker. Given the proximity of the constituency of Calgary-Mackay to the International Airport in Calgary it is important for my constituents of Calgary-Mackay to be able to access the airport in a timely fashion. One option to facilitate this is the proposed airport tunnel. My question is to the Minister of Municipal Affairs. Can the city of Calgary use the municipal sustainability initiative allocation to fund this project?

The Speaker: The hon. minister.

Mr. Goudreau: Thank you, Mr. Speaker. The municipal sustainability initiative gives municipalities the discretion – and I emphasize discretion – to determine which projects and activities will be funded based on their local priorities as long as those

priorities meet and are within the scope of the MSI program guidelines. The program encourages municipalities to take a very long-term approach to planning for capital projects that will have a significant and lasting impact upon their communities.

The Speaker: The hon. member.

Ms Woo-Paw: Thank you, Mr. Speaker. My second question is for the same minister. Does the province have any role in determining what the local priorities are?

Mr. Goudreau: Mr. Speaker, the answer is no. Determining those local priorities is up to the individual municipalities. That's what the municipalities asked us when the MSI programs were designed. It's up to the city of Calgary to determine how they might spend their \$254 million in MSI funding this year, and it's up to them to determine how they'll spend their \$3.3 billion over a number of years. We've recently approved some changes to the program that will give those municipalities added flexibility.

The Speaker: The hon. member?

Ms Woo-Paw: No.

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

2:40 Summer Employment for Students

Mr. Bhardwaj: Thank you very much, Mr. Speaker. Recent media reports are predicting another tough year for Alberta students seeking summer employment. Some of my constituents are concerned that they or their children will be unable to find a job at all, leaving them unable to cover the costs of their postsecondary education. My questions are to Employment and Immigration. Is the outlook for summer job hunters in Alberta as bleak as reports suggest it is in other parts of the country when we're comparing them?

Mr. Lukaszuk: Well, Mr. Speaker, a good question because students probably are gearing up right about now, thinking about summer employment. But we have to put it in perspective. Number one, let's consider the fact that Alberta has the third lowest unemployment rate in all of Canada, which is something to be very proud of. That unemployment rate right now, as we speak, hovers around 6.9 per cent, which really means that 97 per cent of Albertans who are willing and looking for work will find employment.

The Speaker: The hon. member.

Mr. Bhardwaj: Thank you very much, Mr. Speaker. My first supplemental to the same minister: what is being done to help students find summer employment?

Mr. Lukaszuk: Well, a multitude of things, Mr. Speaker, are being done. This ministry, in particular, has the labour market information centres scattered throughout the entire province not only providing students with technical assistance on how to apply for work, how to look for work, and preparing their resumé's but also linking prospective employers with employees. We also have the Alberta learning information centres and, most importantly, a well-known program, STEP, the summer temporary employment program, which is subsidized by this government, topping up students' wages. So the future is not bleak for our students.

The Speaker: The hon. member.

Mr. Bhardwaj: Thank you very much, Mr. Speaker. My final supplemental to the Minister of Advanced Education and Technology: is financial assistance available to students who may not be able to find enough work during their summer and be able to save for their postsecondary education?

The Speaker: The hon. minister.

Mr. Horner: Thank you, Mr. Speaker. Obviously, we do have a very comprehensive student financial assistance program, which we've talked a lot about in this House, that is designed to bridge that gap between the students' resources and what's available. We do expect that students would contribute based on the number of months that they are available for work. Under the student finance system, for a student with three months over the summer the expected contribution would be around \$1,080; for two months it would be approximately \$720. Students with less would still qualify. It's all part of the student financial package that we have under the affordability framework.

The Speaker: Hon. members, that concludes the question period for today. There were a total of 112 questions and responses from 19 members. Of the 19, nine came from the Liberal Party, two from the Wildrose Alliance, one from the New Democrats, and seven from Progressive Conservative members.

In 15 seconds from now we will continue with Members' Statements.

Members' Statements

(continued)

The Speaker: The hon. Member for Calgary-Fish Creek.

Oil Sands Industry

Mrs. Forsyth: Thank you very much, Mr. Speaker. Like many members of this House a key part of our learning takes place when we leave the Assembly and meet face to face with Albertans. One of my most valuable learning opportunities came when I was able to visit Fort McMurray and tour the oil sands. The oil sands are truly a marvel of technology, human innovation, and ingenuity, and as each new project comes forward, they change how they operate and how our energy resources are extracted. Can more be done? Absolutely. Is industry making progress? You bet. Do we all want a healthy environment? Of course. Do we want to build partnerships? Yes.

But, Mr. Speaker, we all know that there are some groups who want to play games with some very serious issues. Some groups resort to childish pranks or breaking the law because their views are not resonating with Albertans. Albertans do not like it when outside groups or rabble-rousers try to diminish our accomplishments, our expertise, or the degree to which we care for our energy and environment resources. What truly matters to Albertans is that people do what they say they are going to do and that companies live up to their words and that government sets a fair playing field.

Many of us know the good work that the oil sands industry does and will continue to do well into the future. We know that oil sands operators have reduced the CO₂ intensity by 27 per cent since 1990. We know that oil sands operators are conserving and using energy more efficiently. We know that new projects are going to dry tailings to treat processed waste. We know that reclamation practices are improving. These are just a few of the things we know about our oil sands industry, Mr. Speaker.

While some continue to ignore the facts about one of our province's most significant industries, we should take comfort in the truth, that Alberta's oil sands industry is doing its part to ensure that new technologies, new environmental practices, and new practices come forward so that industry can do even better. That is why not only does industry prosper; Albertans will prosper.

Tabling Returns and Reports

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

Ms DeLong: Yes. Thank you, Mr. Speaker. I am pleased to table five copies of Scotiabank's Fiscal Pulse, that had some positive things to state on this government's prudent budget and fiscal plan, mentioning that the province is better equipped going forward thanks to this budget holding the line on taxes and protecting priority programs. Scotiabank states that the economic assumptions underlying the 2010 budget estimates are generally conservative, especially nominal GDP levels, real GDP growth in 2010 and 2011, and oil prices.

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

Mr. MacDonald: Yes. Thank you very much, Mr. Speaker. I have three tablings today. The first is a letter regarding Alberta Hospital Edmonton. It is from a constituent named A. Willis. A. Willis is very concerned about the government's plans around Alberta Hospital Edmonton. I have permission to table this e-mail.

I also have another e-mail regarding Alberta Hospital Edmonton. This is again from a resident of Edmonton-Gold Bar expressing her deep concern about the government's plan regarding Alberta Hospital Edmonton. It's signed by Donna Morrow.

The last tabling I have this afternoon I would encourage all hon. members to read. I appreciate this information bulletin from the Speaker's office earlier today to our office in the Annex. This information bulletin is dated March 2010. It's titled *An Auditor General Who Is Both Independent And Accountable: Working Effectively within Alberta's Westminster Model Democracy*, by Ron Hicks. It's a good read.

Thank you.

Ms Notley: Mr. Speaker, I have two tablings today. I'd like to start by tabling the appropriate number of copies of an e-mail I received from Matthew Hildebrandt. He's a graduate student concerned with the high cost of postsecondary education. He asks that the government stop allowing postsecondary institutions to use market modifiers and other noninstructional fees as a loophole to cover institutional deficits.

I'd also like to table the appropriate number of copies of 63 postcards signed by Albertans calling on the provincial government to keep its promise to build 600 new long-term care beds. This is part of a campaign sponsored by the Canadian Union of Public Employees.

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

Dr. Taft: Thank you, Mr. Speaker. The two documents I'm tabling relate to questions raised several days ago by the Leader of the Opposition. The first is the appropriate number of copies of a government news release dated April 13, 2006, indicating that the government of Alberta is providing \$4.6 million to help develop 60 new affordable supportive living units in Grande Prairie.

The second is a page from the 2006-07 blue book, the government expenditures, indicating that Chantelle Management Ltd. was in fact advanced \$2.3 million in public funds.

The Speaker: The hon. Member for Fort McMurray-Wood Buffalo.

Mr. Boutilier: Thank you very much, Mr. Speaker. It's indeed my pleasure to present the requisite number of copies of an agreement I had with the hon. Member for Grande Prairie-Smoky, where he agreed under junior A hockey to wear the Oil Barons jersey, which he is proudly wearing today with his suit jacket on. He could take off the suit jacket if I were to get unanimous consent, but I won't ask for that for today.

Thank you, Mr. Speaker.

Hockey Jerseys for MLAs

The Speaker: To the hon. Member for Fort McMurray-Wood Buffalo and the hon. Member for Grande Prairie-Smoky, you were both here in the House last week when we had the issue about pies. You noted the generous reflection of the hon. Member for Lesser Slave Lake, who, when challenged with the opportunity to bring all members a pie, did. You've also heard in the past when the chair has chastised hon. members for playing dress-up and has challenged the hon. member who wanted to play dress-up and the one who challenged that hon. member to deliver to all Members of the Legislative Assembly a facsimile, or a copy, of the same. There are 83 members in the Assembly, hon. Member for Fort McMurray-Wood Buffalo. You could return with 83 – a variety of sizes would be fine – and that would be in keeping with the spirit of the whole session. In fact, it seems that the hon. members agree with the chair. There's nothing further on it, hon. member.

2:50

Mr. Boutilier: Will the hon. Speaker recognize the Member for Fort McMurray-Wood Buffalo?

The Speaker: On what point would that be?

Mr. Boutilier: On the point of the commentary made about this member.

The Speaker: It was a complimentary one. Just deliver all members with a copy of the sweater, and it will be fine.

Mr. Boutilier: Okay. Well, thank you. I misunderstood the commentary, Mr. Speaker.

The Speaker: Just bring the sweaters, and we'll move forward.

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. Hancock, Minister of Education, school jurisdictions' audited financial statements for the year ended August 31, 2008, sections 1, 2, and 3.

The Speaker: The hon. Member for Edmonton-Strathcona on a point of order.

Point of Order Allegations against a Member

Ms Notley: Thank you, Mr. Speaker. Yes. I rise on a point of order under section 23 of our standing orders. In particular, I refer to sections 23(h), (i), and (j), and those read as follows:

A Member will be called to order by the Speaker if, in the Speaker's opinion, that Member

- (h) makes allegations against another Member;
- (i) imputes false or unavowed motives to another Member;

- (j) uses abusive or insulting language of a nature likely to create disorder.

I rose, Mr. Speaker, in response to the comments made by the Premier in question period. I believe it was in response to the questions I put to him at that time. I, of course, as you know, don't have the benefit of the transcript in front of me; however, my recollection is that there were roughly three suggestions or statements made by the Premier.

First of all, the Premier suggested that I made misleading statements to the House when I suggested that funding had been cut to the Ministry of Children and Youth Services. I would just like to remind the House that records already tabled in the House include the budget documents, which outline a roughly \$34 million cut to the Ministry of Children and Youth Services; an \$8 million cut, roughly, to region 6; and within region 6 a \$400,000 cut to the line item related to foster care services provided by region 6.

The second thing that was suggested is sort of a foundational thing, Mr. Speaker. There were two, I would suggest, inaccurate comments made by the Premier, which subsequently founded a third comment, with which I took the most offence. The second suggestion was that I had information that I somehow inappropriately held onto for five days, during which I could have raised that information in the Legislature.

I would suggest, Mr. Speaker, that there is absolutely no way that the Premier could have that information, in part because it's factually incorrect, and that certainly between the time I became aware of the information of which the Premier speaks and the time that I made that information available to the public, there were no sittings of the Legislature during which I could have raised the matter. In fact, I raised the matter before the Legislature next sat, and just as a side note, had I even waited until that first day, I would not have been able to raise the matter because on that particular day, as a result of our changes in question period, I don't have a question. Nonetheless, that's not really relevant.

The point is that between the time I became aware of the information and the time that I made that information public, there were no sittings of the Legislature, and in fact it was not five days that I had that information in the first place; it was roughly three and a half days.

Regardless, all of that then led to a final statement by the Premier that suggested that this member was somehow personally responsible for causing suffering experienced by vulnerable foster children. The Premier went on to specify that I caused suffering on the part of autistic children in foster care. I would like to suggest, Mr. Speaker, that that is, at best, the most outrageous statement that I have heard in this House since I have been here and that there is no foundation upon which the Premier could make that statement based on what I said previously. I would suggest that it is an unfounded allegation that is designed to insult and to bring disorder to the House and that it is false. It amounts to an allegation under subsection (h), it imputes a false motive to myself, and it amounts to being abusive and insulting. As I said before, he had absolutely no foundation for making such a statement.

I would go further, Mr. Speaker, to suggest that it is particularly – how do I say this in an understated way? – perplexing that the Premier of the province, as a result of his role, has unrestricted access to the information that he accused me of withholding and causing suffering as a result of. It's deeply ironic and raises questions, frankly, beyond this particular point of order.

Nonetheless, at the end of the day I would suggest that all three of the criteria under section 23 have been met, and I would ask that you rule in my favour and/or that the Premier return to this Legislature and apologize to me.

Thank you.

The Speaker: The hon. Government House Leader on this point.

Mr. Hancock: Thank you, Mr. Speaker. While I can understand the hon. member's concerns that she has raised, I would suggest to her that her concerns arise more because she wasn't listening closely to what was being said than to what was actually said, and I say that for these reasons. First of all, her first point is with respect to the budget. Well, if she looks at page 82 of the estimates, it's very clear from the line with respect to foster care support exactly what the Premier was talking about: a \$910,000 increase in the budget to foster care. That's the number he used. That's very clear, and it's very easy to find. I found it within a matter of seconds, to be able to analyze where he was coming from, saying that the budget had gone up. Very clear in what he said, very clear in what he meant, and very clear to be able to find the supporting document.

You can go to the bottom line of the budget and look for a different number; you can go to one other page to look for a different number. The Premier didn't use that process. He basically pointed to the foster care budget and said that it went up by \$910,000, that it wasn't cut. That's factually correct, and it's evidenced on page 82 of the estimates booklet.

With respect to her second point, that she held the information for five days and didn't raise it, again, it was clear if you listened to what the Premier was saying, the full intent and import of what he said and, actually, what he directly said. I'm going to put it in my words rather than his. What he's saying is that every member of the Legislature has a duty to Albertans, and that duty is to make sure that we do our job and that when something comes to light that we get information on, that we know about, that should be corrected, we should act on it immediately.

If there was a meeting on Thursday morning and the hon. member knew about the information that was exchanged at the meeting on Thursday morning, after the estimates on Wednesday night, where the minister said clearly in the estimates that there were going to be no cuts to service, and then she heard on Thursday morning that there were cuts to service, the first thing she should have done in the interests of those Albertans affected would have been to call the minister's office and ask what was going on because there are vulnerable Albertans who are being hurt by that. That was the import of what the Premier said. That is what he meant, and it's pretty clear. I think that any reasonable Albertan would expect that kind of behaviour.

He didn't say that she shouldn't raise it in the Legislature. He didn't say that it was inappropriate. In fact, I think I heard him say that it was quite appropriate to raise it in the Legislature. What he said was that if you're acting in the interests of Albertans, when you get that information, you should first act to make it right. People should not sit, having inappropriate information or having something that's not supposed to happen, having it remain uncleared up for that period of time.

Now, the hon. member has made it clear that she didn't actually know on Thursday and that that wasn't information that was available. The implication of both the press conference and the exchange in the House on Tuesday led one to believe, led me to believe and I think led members to believe that that information was available to her on Thursday. She has cleared that up. I accept that. She only knew it for three and a half days, not five days. Still, it would have been appropriate for any member of the House getting that kind of information to call the minister's office and say: "You said on Wednesday night that there weren't going to be cuts to foster families, and on Thursday your department did cuts to the foster families. What gives here?" That was what the Premier said. He wasn't saying to the hon. member anything other than that. Quite frankly, I think he's right.

3:00

Mr. Boutilier: Dave, your nose is growing.

Mr. Hancock: There could be a point of order on that, perhaps.

With respect to the third comment, and I think it was a subset of the second one, and that is that the hon. member believes that she was accused of being personally responsible for Albertans' suffering, I think again it was very clear. I was sitting here. I heard the exchange on Tuesday, and I heard the Premier today. It was very clear that what he was saying is that Albertans were put in a position – according to the information that was presented to the House, there was a meeting on Thursday where they were told that their foster care payments were going to be cut, and that was going to cause them undue hardship and concern. That was the issue that was being raised by the member.

The import of what the Premier said was very clear. Why would you let people have that view, if it was the wrong view, for five days when you could have corrected it immediately? Why would you let them stay worried about their payments if you could have sorted it out? That's the clear import of what he said. He's not suggesting that the hon. member caused their suffering. He's saying that she could have relieved their suffering. And she could have.

Mr. Speaker, there's no point of order.

The Speaker: Hon. members, I draw to your attention Standing Order 7(7), but I've ruled in the past that if we're dealing with a point of order or point of privilege, we will just simply ignore that and go beyond 3 o'clock. I'm, quite frankly, prepared to deal with this matter and rule. If there are hon. members who want to participate, I want citation and I want directly to the point and the question at hand, not what members may have thought they heard, which is not what I have heard myself and have in front of me.

The hon. Member for Airdrie-Chestermere after the hon. Member for Edmonton-Gold Bar, who rose first.

Mr. MacDonald: Thank you very much, Mr. Speaker. Certainly, I followed the exchange in question period with interest. I would like to point out to all hon. members *Beauchesne's* 484(3).

In the House of Commons a Member will not be permitted by the Speaker to indulge in any reflections on the House itself as a political institution; or to impute to any Member or Members unworthy motives for their actions in a particular case.

In the exchange between the hon. Member for Edmonton-Strathcona and the hon. Member for Fort Saskatchewan-Vegreville this afternoon . . .

The Speaker: The hon. member said 48 what?

Mr. MacDonald: I said *Beauchesne's* 484(3), Mr. Speaker.

The Speaker: Okay. Go ahead.

Mr. MacDonald: Certainly, it would be my view that the Premier violated *Beauchesne's* 484(3). I think the hon. Member for Edmonton-Strathcona had every right to bring that issue up again in the Assembly.

I would also like to point out, in conclusion, Mr. Speaker, page 40 of the fiscal plan, services for children, youth, and families. As I heard the exchange, and as I understood the exchange, I think this is important.

Program expense for the Ministry of Children and Youth Services is budgeted at \$1.1 billion in 2010-11, a reduction of \$36 million or 3.1% from the 2009-10 forecast. The Ministry will focus spending

on its most vulnerable clients, including at-risk children, youth and families.

Child Intervention Services and Foster Care Support. The combined 2010-11 budget for these programs is \$545 million, a reduction of \$27 million or 4.7% from 2009-10. A stronger focus on measures such as increased permanency and family enhancement supports is expected to improve outcomes and reduce costs in Child Intervention Services. The budget for Foster Care Support is increasing slightly to \$163 million in 2010-11. This will support about 5,400 foster child placements.

So that certainly recognizes reductions in the budget. For the Premier to get so sensitive whenever questions are asked . . .

The Speaker: Hon. member, please. The chair knows when the hon. Member for Edmonton-Strathcona raised the point of order. It did not come after any of what the hon. Member for Edmonton-Gold Bar is talking about. We have to be relevant with these things.

Mr. Anderson: The citation is the Standing Orders 23(h), (i), and (j), as the hon. Member for Edmonton-Strathcona pointed out. On the first point if you look at page 91 of the government estimates, clearly there was a reduction in region 6 for foster care. There's no grey area there. That is exactly what the document says. There's no doubt on that first point.

The Speaker: Hon. member, that's not what the Member for Edmonton-Strathcona raised the point about. You're talking about an entirely unrelated matter. [interjection] No, no. I have what I have. I know what was said.

Mr. Anderson: Okay. Back to the point. There was a direct quote made by the Premier of blame on this hon. member for withholding that information for a five-day period. That is not true. First of all, she knew the information shorter than that, and she gave it at the first possible moment in this House. The Premier also said that same thing, Mr. Speaker, about this member as well. We did not know about this until the Monday.

The Speaker: If you want to raise a point of order, you raise one on your own. Just deal with the one we have in front of us.

Are there additional comments?

Okay. Let's be very, very clear here because words are very, very important. The hon. Member for Edmonton-Strathcona rose and said, "I'd like to raise a point of order, Mr. Speaker," for what was said just prior to that, which caused the intervention for the point of order. So here's what the Blues say:

Mr. Stelmach: Mr. Speaker, in fact, yesterday I was very emphatic during the news conference that any hon. member – government side, opposition – can bring anything forward to the Assembly. That's not the issue. But to keep it – keep it – under wraps, knowing quite well that this information was given to that member, and holding it secret for five days and agonizing families needlessly is not appropriate. Like I said, just go out and ask the parents. Would you like to sit and have that information and keep people under that agony for five days and then raise it here in the House? You still could have raised it here on Monday. You could have had five news conferences during that period of time, but you should have notified the minister immediately.

That's what was said in the *Hansard* by the Premier. These are the Blues.

Immediately after that the hon. Member for Edmonton-Strathcona said, "I'd like to raise a point of order, Mr. Speaker."

So the hon. Member for Edmonton-Strathcona gets up and makes three points under Standing Order 23(h), (i) and (j). The first one has to do with budget matters. There's nothing in this response that

I see related to any kind of budget matter at all. The point of order was not raised on a previous question, which it could have been, and then I would take a different view. But I have to deal with the facts at hand. There's nothing in here in the response from the Premier which caused the hon. Member for Edmonton-Strathcona to rise.

Secondly, for the hon. Member for Edmonton-Strathcona to say she did not have an opportunity on Monday in this House is not correct. At one time both ND members were given the choice of having a question each day. They subsequently signed a piece of paper to me saying that they wanted one question per day. That could have been the question of the day. It does not belong to the hon. Member for Edmonton-Highlands-Norwood, nor does it belong to the hon. Member for Edmonton-Strathcona. It belongs to their caucus. They can make the choice as to who does it.

Thirdly, I see nothing in here about suffering with respect to this. So if there was a point of order, do it on the previous question.

On the other hand, to the hon. Member for Edmonton-Strathcona, how do these phrases play out: "Notwithstanding this Premier's failure to understand," "government wants kept secret," and "given that this has been shown repeatedly to be false"? There very well may have been others who might have risen on 23(h), (i), and (j) with respect to this.

Now, look. The standing orders are pretty clear. All of the documents we have are very, very clear. In the *House of Commons Procedure and Practice*, the second edition, you can go to page 634, and there's a quote there: "A Member may not direct remarks to the House or engage in debate by raising a matter under the guise of a point of order." So on this point at this time, where this is raised, there is no point of order. Maybe a point of clarification.

3:10

Orders of the Day Government Bills and Orders Committee of the Whole

[Mr. Mitzel in the chair]

The Deputy Chair: I'd like to call the committee to order.

Bill 15 Appropriation Act, 2010

The Deputy Chair: Are there any comments, questions, or amendments to be offered with respect to this bill? The hon. President of the Treasury Board.

Mr. Snelgrove: Thank you, Mr. Chairman. It is my pleasure to kick off debate in Committee of the Whole on Bill 15, the Appropriation Act, 2010. It is kind of interesting that in the last five minutes here on a point of order we've debated the budget more than we do in the times we've had before in actual relevance to a budget. It is a little bit surprising that we will come in here and spend more time talking about how much time they don't have to debate a budget than actually debating the budget. But that's their privilege. Or we could spend time talking about Argentina or Missouri, all of the other things that affect Albertans and their budget. But it's certainly within the purview of the opposition to spend their time as they choose. That's all right; it's entertaining reading.

It is kind of interesting. At our estimates, Mr. Chairman, of Treasury Board, where we had an informative discussion with the critic from the Liberal Party, we talked about some issues that were important to him. We had an opportunity to talk to a member of the New Democratic Party. You know, the Treasury Board is a small department. It doesn't spend a lot of money, but it does have a responsibility for looking after the spending side of government, for helping develop a capital plan, you know, for the oil sands secretar-

iat, and corporate resources, so a few pretty important responsibilities on behalf of the people of Alberta.

You know, we never had one question during my estimates from the Wildrose Alliance Party, not one inquiry. I find it surprising that they would want to come here and then debate the budget . . .

Mr. Anderson: Point of order, Mr. Chairman.

Mr. Snelgrove: . . . on a point of order as opposed to actually debating the budget in the process that's been provided. Although I will give the Member for Calgary-Currie . . .

The Deputy Chair: We have a point of order, that I'm going to recognize.

The hon. Member for Airdrie-Chestermere on a point of order.

Point of Order Referring to the Absence of Members

Mr. Anderson: Mr. Chair, this hon. member has obviously been a member of this Assembly for a long time, and he should know full well that it is out of order to say that a group of individuals are not at the budget estimates. He knows full well that they have put us on committees, that oftentimes there are conflicts, and we cannot get a member to a budget committee every time. That was the case in this case. It's easy for him with his 68 MLAs to say that, but in this case he is out of line and he should be, you know, ashamed of himself for doing that. But that's what he does. I noticed that he only speaks to the Wildrose Alliance caucus on these things, which I think is very interesting. He was out of line, and he knows he was out line. I just wanted to put it on the record that there was a conflict, and that is why the Wildrose Alliance could not be there that night.

Mr. Snelgrove: Mr. Chairman, let's be perfectly clear. I didn't suggest at all that they weren't there. I never said that they weren't there. I said they never asked a question. They can get the Blues, or they can listen. That's exactly what I said.

Back to the point, Mr. Speaker. I take the hon. Member for Calgary-Currie where he says – or you can dismiss this point of order. Do what you want. We'll finish.

The Deputy Chair: On the point of order. The hon. Minister of Housing and Urban Affairs.

Mr. Denis: Thank you very much, Mr. Chair. I won't reiterate the points that the hon. President of the Treasury Board has. I just want to talk a bit about a precedent of this House. I recall a speech last year when the hon. Solicitor General, as he now is, talked about empty seats at the other end of the House. He didn't identify the empty seats. The convention is that you do not identify a member if he or she is absent or has been absent.

I would respectfully submit to you that there is no point of order at this time.

The Deputy Chair: Hon. members, I was listening very carefully to this as well. The hon. President of the Treasury Board did not say that they were not there. He said that they didn't ask a question. There is no point of order.

Continue.

Debate Continued

Mr. Snelgrove: Thank you, Mr. Chairman. I will take the advice from the Member for Calgary-Currie and talk to our colleagues

about the point he presented. Health is hugely important to all of us. To give it the same time as some of the smaller departments is a valid point that I agree with. It's an agreement that was decided upon by the House leaders, but I'm sure that good women and men from both sides of the House can address that issue and be a little bit more reflective of the importance of it. So I'll accept that in that context.

Mr. Chairman, I just look forward to what I'm sure will be a lively and spirited debate through committee on Bill 15.

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

Dr. Taft: Well, thank you, Mr. Chairman. It's going to be quite the afternoon it looks like.

I just thought it was important that I rise to explain my opposition to the budget and the reason that I won't be supporting it. I fully understand that the wheels of government need to continue and that there are huge programs that have to proceed. I fully expect that the budget will pass, but I thought I would raise my concerns.

I would like to see it improved, frankly. I'm the Health and Wellness critic, and I thought I would begin by explaining my concerns with that budget to the Assembly. It's a very generous budget. There is quite a significant increase from last year, in some ways a startling increase. When the finance minister announced the budget, that particular one raised a lot of eyebrows.

I appreciate that the President of the Treasury Board is following here because my single biggest concern with the whole budget is that there is simply one line for Alberta Health Services, base operating funding. I'm on page 240 of the estimates. That one line is \$9,037,593,000. When I think, "Okay; here I am as a critic, as a Member of a Legislative Assembly, and as a citizen; how do I hold the Minister of Health and Wellness and this government accountable for that \$9 billion?" which is, after all, a quarter roughly of the entire provincial budget – that's the money that goes to Alberta Health Services – there is really no way of doing that in a meaningful manner. There is no way, for example, of knowing how much goes to the Foothills hospital or the University hospital or how much goes to preventative care or cancer care or whatever. It's just one line with an absolutely massive amount in it.

When I compare it to history, even a couple of years ago there was considerably more detail. There were lines in the budget for each regional health authority, so you could see how much went to the Calgary health region, Capital health, north, west, wherever they were, and also to the Cancer Board and to AADAC. At least you could rise and say to the minister or the Premier or whoever, "Why is the budget for the East Central health region going up 10 per cent while the budget for Palliser is going down?" or whatever it was, and you could have a discussion. There is no way of doing that with this scale of information. I just feel as an MLA that when it's all lumped together like that, we've lost an ability to hold things to account.

My memory – and maybe it's getting foggy – from many years ago, say from the health budgets of the late '80s, is that there was even more detail and there was an itemization of how much went to long-term care and how much went to acute care and how much went to capital and operating and so on.

3:20

I think I got the idea across to the President of the Treasury Board on that. Of all the single concerns I have with these hundreds of pages, that is the biggest one because it involves so much money and absolutely no level of detail.

I also need to raise a second significant concern with the health budget, and it relates to the first one because we have no detail. I have yet to figure out how the numbers add up. I am quoting from a speech here from the chairman of Alberta Health Services, Mr.

Ken Hughes, from just a couple of weeks ago, to the chamber of commerce. He repeats something in here which Dr. Duckett and I think even the minister has said. I will quote from the speech, page 5. Alberta Health Services has "captured \$700 million annually in cost savings in non-clinical areas." Seven hundred million dollars annually.

I look at these numbers, and I think: "Okay. We've formed Alberta Health Services. They're telling us that they saved \$700 million in operations, yet they need an immense increase of funding, a \$1.3 billion increase in funding, in 2010-11 compared to '09-10." I want to understand: if they've saved \$700 million and they need \$1.3 billion more, what's going on here? It's hard for me to get my head around that. Again, there's no detail here.

I can't help feeling, Mr. President, that the wool's getting pulled over my eyes somehow here because if they've really saved \$700 million, there's no possible way they ought to have needed a further \$1.3 billion to cover their expenses. So that is a related concern. I have asked when I've had the opportunity for Dr. Duckett to explain this, I've asked the minister to explain it, and I've never got anything close to an explanation. So maybe the President of the Treasury Board – and you know what? That would be fantastic if you could explain it.

Could I ask how many minutes I have in this?

The Deputy Chair: Thirteen.

Dr. Taft: Still 13 left? Oh, great. How exciting.

I will also raise a concern as a legislator and a citizen about the handling of capital expenditures, and this has come up most vividly in terms of capital spending on health projects. We're being asked here to vote in Bill 15 on capital spending, yet we're also told that the list of capital projects under health care isn't complete. That just doesn't seem like good budgeting to me. We're being asked to allocate money. I'd like to assume that there's a solid basis to that request, but I'm told in this Legislature by the Premier and the Minister of Health and Wellness that there isn't because the list of capital projects is a work-in-progress. How the heck do we come up with the numbers for capital spending in this budget when the list is a work-in-progress? Now, you could say: well, we chose a number for capital spending, and then we'll spend to that number. That is a way to proceed with a budget. I'd prefer a budget that was built, as it were, from the ground up. So that's further unease I have with this budget.

I am also the critic for aboriginal affairs, and I am concerned, as anybody on the committee who reviewed that budget will know, that the business plan is written in such a way that, again, it's impossible for anyone to really know if the goals in aboriginal affairs have been met. They're vague. They wouldn't pass, you know, a first-year university course on business planning as goals because there's no way to measure them. They're kind of feel good, "We'll hold meetings, and we'll sign memorandums," but there's a lot of money in there, and I would like to see something that I could really count or hold the government to measure for. An example would be to improve aboriginal unemployment by 1 per cent or reduce poverty by 1 per cent or whatever it would be, just something that was measurable. Nothing in that business plan for aboriginal affairs can be measured, and nothing, therefore, can really be used to hold the minister to account. I am very concerned about that, and I cannot in good conscience support that.

One other detail, and this will not be a surprise to the President of the Treasury Board: this budget contains millions of dollars that are going to go to horse racing. I would ask the President of the Treasury Board or any other members of this government: have they

read George Cuff's review of the horse-racing industry? This was an internal government review, and it is absolutely condemning of what's going on in that industry. It's a dying industry with virtually no hope of recovery. Over the last decade we have poured hundreds of millions of dollars into that. Those hundreds of millions of dollars could have gone into anything else. Fair enough; give them three years to transition to a new model. But those three years are long gone, and we're up into around 10 years and truly hundreds of millions of dollars. I cannot condone or support that anymore.

My last concern, and many members of this Assembly will know that this is dear to my heart: we've got to get off this fiscal roller coaster. You know, if the President of the Treasury Board ever wants to sit down and chat with me, I'll happily chat with him. But somehow or another we as leaders of this province have to figure out how we can get a stable foundation under provincial funding because the roller coaster of surges of spending and then dramatic cuts is counterproductive and it doesn't reflect the reality of human needs. People getting cancer need treatment whether the price of oil is high or the price of oil is low. People waiting for a hospital in Medicine Hat or waiting for a trial in Medicine Hat at the courthouse, their needs are there whether natural gas prices are up or down.

That's true across this whole government. If we want to build a genuine world-class university in Edmonton or Calgary or anywhere else in this province, we've got to be providing long-term, stable funding so that when people we might be attracting – who knows? Nobel prize winners some day. Those people are going to look hard: "Where am I taking my family? Why am I moving from Cambridge to Edmonton?" They're going to look hard, and they're going to say: "Boy, it looks great right now, but every five years this boom goes bust. I could lose everything I'm doing when I move there, so I'm not going to move." On the other hand, they could say someday: "Those universities have an endowment fund that secures their future forever. I will move there." And as they move here and as knowledge gets generated and new businesses are started, we diversify the economy.

That's just one example. I just desperately want a government to come forward with a plan that gets us off the roller coaster. We've advocated on this side of the House for many years taking a portion of royalties, bite the bullet, sell the vision to the public, and stream that portion of royalties into endowment funds for government services, for education, or for whatever. I mean, there are many ways to solve this issue, but this budget hasn't, for me, provided any of that vision.

Those are the reasons, Mr. Chairman, that I can't support this budget. I would appreciate any comments from the President of the Treasury Board to engage me.

Thanks.

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

Mr. Snelgrove: Thanks, Mr. Chairman, and thanks to the hon. member. A couple of things around the statements. I think, you know, it's such a large number with Alberta Health Services – and as we agreed, it's very important – but it's dealt with in the same way that the universities are, for example, where we don't show in our budget what the university would spend line item by line item. We show how much we gave them. Or municipal grants, where to follow up on how it is spent would require work, but you'd have to go through the municipal system to see theirs. Alberta Health Services, you know, is still relatively new. They release their audited financial statement normally some time in June. At that point – now, that doesn't get the same opportunity for debate in here,

I'll grant that – that's where you'll have the opportunity to look through their financial statement and see if their priorities are reflecting our business plans.

3:30

I think that in many ways by establishing and moving to the consolidated statements, it will bring together a better opportunity for you to compare within the same document where those numbers are. It is extremely complicated. I'm not sure how they would include it in our budgeting cycle, but it certainly is reported. I guess that's where we need to be thankful that we have the Auditor General, who takes an independent look at their books, too, and is able to comment.

The hon. member talked about: what are we going to accomplish with our aboriginal policy and our expenditures? I think it's spelled out fairly clearly in what we call the Measuring Up or Striking the Right Balance documents, where we identify the strategic priorities and the business plans of that particular department.

It's also important to not look at the numbers in there necessarily as our dollars. It's much the same as horse racing. I know we've gone through this, and I doubt they're ever going to be happy, but the fact is that in the aboriginal gaming contract the increase in the revenues they generate in their casinos on reserves is pooled and given to them. That has grown substantially over the last four years, more than the other casinos, who have seen, actually, a decline for whatever reason; it's not for me to decide. The fact is that that increase in funding is a commitment on an existing contract to allow them to maintain their increase.

Horse racing is exactly the same. There's an agreement where they're allowed to have slot machines, and the amount that goes to Horse Racing Alberta from the Alberta government is a zero gain to this government. We only return to them what their agreed-to, contracted amount is, and it shows up in our budget because we have to account for every penny we spend. If they go back to the revenue from sources, they would see that, in fact, the taxpayers of Alberta, except when they voluntarily go into a facility and drop their dollar in that machine – it's the only support they get outside of the agricultural part of them that would be eligible for other ag programs they may exist in. But on the line items that they refer to, there is no tax dollar money going to the horse-racing industry. You guys have said it enough; I don't mind. They actually believe it, so it's working with some people, but the fact is that it doesn't happen.

The hon. member's capital plan projections. One thing we need to be able to do is be flexible. You know, when we've gone from the regions, who had their own special interest in promoting their region or developing infrastructure in their region to serve – from East Central we were in a bit of a spot because of not having a large centre, Camrose and Lloydminster being the two largest. It probably wasn't the most efficient use to try and rebuild a centre in Camrose to take the normal trade from Edmonton.

I think, fortunately, we said: let's really look at not what we want in health care, but what we need in health care. Do we have the staff available to run what we're going to build? And there were errors. There were projects that were lofty goals to build billion dollar hospitals in areas that weren't even full. Their hospitals aren't even fully staffed now. I have to give the previous minister credit on this for saying: hold it. A lot of times in political life it takes more to say: no, let's not build it unless it's right.

We've seen the same thing in our seniors' facilities, where we've said that it is just unconscionable now to continue to build facilities where a couple can't stay together because of the different needs of that couple. You could have a mother or father with a stroke or some debilitating disease. It's so much healthier for them to be able

to have their spouse of decades with them, and we couldn't do that before. You know, you have to say: hold it. You've got to suffer the backlash of saying: what are you stopping mine for? It's because I think we truly believe that we've got to build facilities for the next generation, not for the last generation. The last generation are going to be living in them, but they want to live together, and they have different needs.

I respect the hon. member's interest in this. I think it is above board. He has continually offered suggestions about it. The accounting, the reporting, is complicated. I think he would agree that the most important part is delivering the health care system in a practical way. Yeah, let's account for the money, but none of us really wants to be saying that money drives the way we do it. Let's do it right. Let's report it. Let's come back here for the appropriate amount of money.

As you can see from the budget, we've said that they clearly need the room to establish a prudent and go-forward health care system. They needed the stability and the predictability. If you consider wiping out their deficit, moving the starting line to what it would be, and adding 6 per cent, it was a lot of money to clear those up. But if we can maintain – and we intend to – our five-year contract to 6 per cent each year, we will achieve something that you'll see no other area in Canada will achieve without massive downsizing of their system. I don't think that's what Canadians want. Certainly, it's not what Albertans want.

I appreciate the comments of the hon. member.

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

Mr. MacDonald: Thank you very much, Mr. Chairman. I listened with interest to the hon. Member for Edmonton-Riverview and the hon. President of the Treasury Board. First off, I would like to say that I have to commend the hon. President of the Treasury Board. Since we've had budget estimates, second quarter for grants and supplies and services in the blue book is now online. I appreciate that. This is a man of his word. He told us at budget estimates – and I don't want to get a point of order here. I'm certain he told me at budget estimates that this would happen, and sometime over the weekend it did happen. I didn't get an opportunity to go through it in a lot of detail to see what was added from the first quarter of 2009-10, but there were a few items in there that were certainly of interest.

The hon. Member for Edmonton-Riverview was talking about Alberta Health Services in the budget, and I, too, am looking forward to these financial statements, Mr. Chairman. They will be released hopefully not on Canada Day like last year, when they were so guilt ridden that they put it out on a long weekend in the summer, hoping no one would pay attention because, of course, their bonuses and severances and their lavish payments were all included in that. It was certainly an act that I considered of guilt and shame because they knew that money wasn't spent accordingly or the way it should be. Some of it, at least, was wasted.

Certainly, in the blue book, as we're discussing this budget, I see an amount for the Vancouver Olympic organizing committee for \$2.1 million. That's a significant sum.

I see McKinsey & Company, health care consultants or management consultants on any number of issues world-wide, in this province they are invoicing Alberta Health and Wellness in the first six months of the year for \$1 million. Previous years they've also been active with their invoices. I have no idea what would be in the budget this afternoon for Health and Wellness for McKinsey & Company, but it's certainly an invoice of interest because, of course, they were originally the group that was, in my opinion, charged with

developing this long-term health care strategy. We see where it has gone off the rails. We're hundreds of millions of dollars in the red.

3:40

I know that in this budget we are trying to get back to a balanced budget. The hon. Member for Edmonton-Riverview talked about the \$700 million that Mr. Hughes mentioned in his speech at the Chamber of Commerce. Certainly, before this budget is passed, we should have the details on how this \$700 million in savings has been achieved, if at all. I flat out don't believe it. I'm going to need to see that breakdown line by line and where the \$700 million in savings was realized.

Those are certainly some of the questions that I have. This government still has a tendency to spend money in the oddest of places. I would use the million dollars to McKinsey as an example. We shouldn't need them anymore if we're in this cease-and-desist pattern with Alberta health care restructuring.

In the course of budget estimates this year there were some interesting statements from other ministries as well, Mr. Chairman, Service Alberta for example. It was with a great deal of interest that I learned from the hon. minister in charge of Service Alberta that we were gradually getting away from the practice of leasing any number of items, and we were now buying them instead, if I can remember correctly what was stated during the course of debate.

I will use cars as an example. Last year in the blue book I noticed where Londonderry Chrysler had received \$3 million from the government. The minister informed me through the course of debate that this was for a number of cars. The government got a real good deal on vehicles from Londonderry Chrysler, and the Department of Service Alberta was getting rid of a lot of the leased vehicles that they had. I would like to know, particularly with Bill 15, how widespread this practice of buying instead of leasing now is with all the government departments. How much money is going to be saved by buying, not leasing, and how much money have we squandered or wasted in the past by leasing?

Now, we do know, if we look back into Public Accounts – and I would stand corrected if any member has the information – that the Jim Pattison Group was leasing a large volume of vehicles to the government. I think the annual bill was in excess of \$19 million. If these practices are no longer viable, how much money are we saving with this new plan of buying instead of leasing?

Certainly, there are other issues that I would like to bring forward at this time. The President of the Treasury Board, Mr. Chairman, talked about the importance of the Auditor General. Whenever we look at the size of this government's budget and we look at the fact that it was only last year that the government – well, to put it in perspective, I think we should go back to the response to the Auditor General. This is in the fiscal plan, Budget 2010. We can see where there are any number of recommendations by the Auditor General that have been accepted. Most of them have been accepted. Some have been accepted in principle. Some of them are under review. We can see where the Auditor has done a lot of very, very good work.

But when we look at what has happened in the past, there were two suggestions by the government that were rejected because somehow they felt that the office of the Auditor General was straying into policy. I could never understand that, and I could never understand the reasoning behind this. When we look at the size of the budget that we're dealing with here and we look at the size of the budget deficit, \$4.3 billion, I think we need to be encouraging the office of the Auditor General to keep a much closer eye, not a more distant eye, on the books of each and every respective department.

Now, I was astonished to see that a former senior member of this

government – and I should say that this gentleman, Mr. Hicks, was a public servant. He retired effective September 5, 2008. He had served as a deputy minister of Executive Council in the Alberta government for four years. This individual is quite well respected. But I certainly hope, when you look at the back of the fiscal plan and you see the responses to the Auditor General, the good work that the office does, that the government is not contemplating taking seriously any of these suggestions by this former Deputy Minister of Executive Council.

Now, this gentleman feels that Alberta's Auditor General in recent years has broadened his mandate, Mr. Chairman, by pushing systems audits beyond critiques of government systems of evaluation and reporting into criticisms of the policies and programs government meant to measure, even into a medium to propose policy and program alternatives. He has impinged on government's policy-making role. Well, I would certainly disagree with that statement. To suggest that the Auditor General has essentially bypassed the Legislative Assembly and reported directly to Albertans – for example, releasing reports to the media at the same time that he shared them with the Assembly – is simply not true.

Mr. Chairman, you as chairperson of the Standing Committee on Legislative Offices are the person to receive the Auditor General's report whenever it becomes available.

The Deputy Chair: Bring it to the bill.

Mr. MacDonald: I certainly am, Mr. Chairman, when you realize that in the fiscal plan we address directly – this is the fiscal plan here for the budget, and the appropriation bill is simply all about the budget all the time. These responses to the office of the Auditor General from October 2009 are very, very important because if the public is to have confidence in this whole budget process, they have to have confidence in the job that the Auditor General is doing.

The chair of the Standing Committee on Legislative Offices, which is the hon. member, is the first individual to receive – in fact, I believe you receive it in advance of the press conference or media gathering that the Auditor General hosts to explain the recommendations and the findings of his office. Now, I think it's unusual. I considered this report, Mr. Chairman, a tight muzzle and a short political leash on a very respected office, an independent office of the Legislative Assembly.

3:50

Hopefully, hon. members are going to read this information bulletin and file it away, Mr. Chairman, and let it gather dust like it should because we have to ensure that the Auditor General has scope to do his work. If we look at this budget and we recognize that the \$4.3 billion deficit – if this Progressive Conservative government is to control its wasteful spending habits, we need an office that's going to do systems audits. We need an office that is going to be able to function. It cannot be restricted or limited in its ability to provide its auditing function and reporting through the hon. member to all members. Certainly, the Public Accounts Committee has a great deal of interest as well in the reports and the recommendations of the Auditor General.

I would encourage all hon. members in the course of debate on Bill 15 this afternoon to just quickly have a look. If you only have an opportunity to read the executive summary and the recommendations, have a quick look at them because the author of this report is suggesting that there needs to be immediate discussion, debate, and decision on the role or the mandate for Alberta's office of the Auditor General. I think the office has been doing a great job, just an exceptional job. They should continue without any restrictions

and limitations put on them or even the suggestion that somehow they're not working in an appropriate manner. Even the suggestion is inappropriate.

Now, Mr. Chairman, when we look at any of the amounts – whether it's in Tourism, Parks and Recreation or Transportation, Treasury Board, Service Alberta, Health and Wellness – when we look at these millions and millions of dollars that we are requesting here, we also have to look at the back of the fiscal plan, at the direction, the suggestions that have been made, the recommendations by the office of the Auditor General, the government's response.

We only have to go to the disclosure of termination benefits paid. We are talking in this budget that we've got \$30 million in the budget of the Treasury Board for layoffs. Hopefully, there will be no layoffs. I personally don't think there need to be any layoffs because of the age of the civil service. The average age of the civil service is not getting up there, Mr. Chairman, but certainly there is a large percentage of them over the age of 45. I think that through natural attrition or retirement individuals are going to be moving on to other things, maybe going up the Amazon, touring around the world. Who knows? I wish them well, and I wish them long life and good health whenever they do retire. But I think there is a natural progression there, and there is no need for these layoffs that are suggested.

The office of the Auditor General was discussing the disclosure of termination benefits paid. The Auditor's office recommended that the Ministry of the Treasury Board “increase transparency of termination benefits by adopting disclosure practices for Alberta public agencies that disclose termination benefits paid.” This is a recommendation that's under review. It hasn't been accepted; it hasn't been rejected. It's under review. I would have to ask why at this time. We've got a \$30 million allocation there, and I think the government should deal with that.

Now, another one, of course, is electronic health records. This gets back to my first point about buying now instead of leasing. What other audits is this government doing to find some economic efficiencies? Road maintenance is first to come to mind, Mr. Chairman. Down in the southeastern part of Alberta, in your neighbourhood, I don't know who does the road maintenance down there, but there are basically five big contracts throughout the province. The bill is over \$300 million annually. Is this money being well spent? I think it's \$330 million. Now, there may be – I could be wrong – more than five of these privatized road maintenance contracts, but I think that in light of the information that was provided by the Minister of Service Alberta, this would be a good place to start.

Another place that we could look to see if all the money has been used wisely is in electronic health records. We see there are issues in Ontario. We see through Public Accounts that some of the same enterprises that were busy in Ontario with electronic health records are also doing a little bit of work here. Whether it's consulting, I don't know. IBM is a fine example. They have one contract that's at least \$100 million if not more. Are we getting the best bang for our buck with that contract? We could look into those and perhaps save ourselves a lot of money and not have to nickel and dime people who unfortunately have addictions.

Thank you.

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

Mr. Hinman: Is there Standing Order 29(2)(a)?

The Deputy Chair: No.

Mr. Hinman: No. Okay.

Thank you, Mr. Chair. It's a privilege to stand up and to address Bill 15, the Appropriation Act, 2010. I would like to go on the record that I'm very much against this. This is a train wreck of a spending spree that this government is going on. We'll continue discussing that and go forward.

We put out our own Wildrose Alliance balanced budget initiative. We put a lot of work into that and have to question how much the government actually put into wanting to have a fiscal balance. I kind of get a kick out of the Budget 2010: Striking the Right Balance fiscal plan. The right balance is balanced. It's not a deficit budget. Again, it's a long-term problem that they worked into this, much like an unhealthy individual who has been overeating or smoking or not exercising for too long and then all of a sudden to say: well, you can't expect me to lose 150 pounds in one day. Well, no. And we can't expect the government to be able to balance in one year.

If we go back again to the Canadian Taxpayers Federation, and we look at the 2003-2004 budget, which was around \$22 billion, I believe, had we followed that forward at a population plus indexed to inflation, we would have a balanced budget this year. But because of the spending habits – and each of the finance ministers, I believe, if we went back and listened to their speeches, would say that this spending is not sustainable. We're very lucky to have the sustainability fund, but it's a real concern.

On page 2 when we look at the fiscal summary and we go back just to 2008, \$36.6 billion, a deficit of \$850 million, and did they say they were going to do something? "Oh, no. You know, the fair weather of Alberta is going to change and we'll be fine. We won't do anything." In 2009-2010, \$4.7 billion. The real problem with this is that we still continue to have smoke and mirrors about what the true deficit is.

I spoke back in 2003, 2004, 2005 when we were having surpluses. We had a law back then. We had to pay off all of the deficit before we put money into the other areas. The law was that any surplus funding must go to pay off the deficit but because of the general accounting practices, which we all agree are there and we can follow, we can manipulate the numbers. It's kind of like going on your credit card to buy now, pay later in 24 months and saying: oh, no; I don't owe anything. We assumed the entire deficit for the teachers' pension plan back in January 2008, which at that time was estimated at \$6.8 billion. Again, because of general accounting practices we don't need to have this in the budget, yet it's: buy their votes now, and we'll let the next generation in 24 or 40 years from now pay the \$50 billion or \$60 billion that we're going to owe. It's very irresponsible to not have it in our plan how we're reducing that deficit funding for that. Again, we're just not addressing or going forward on those like we should.

4:00

The fiscal – I don't know; how you can even say fiscal in this budget is hard for me to understand. There's nothing fiscally responsible about it. It just goes on and on with the spending. They talk about, you know, the 17 ministries that have a reduced budget. That's great. They've reduced it in 17, and that's important.

The question I go back to – again, this goes back before my time. There used to be a group in this House that was called the Deep Six. From what I was told, those were fiscally responsible individuals. Now we're so deep in debt. The Deep Six are all gone but one, and that one is our Premier. The other ones are gone, no longer here, so you have to wonder if this wasn't a wolf in sheep's clothing saying, "Oh, I'm fiscally responsible" yet thinks nothing of having a \$4.7 billion fiscal debt with a real \$7.6 billion cash to revenue debt and saying that we're being responsible. It's irresponsible, and it's unacceptable.

As we go through the various parts of the bill, I guess I'd like to point out and ask the correction on page 1 of the Appropriation Act, section I(2):

From the General Revenue Fund, there may be paid and applied a sum of \$34 871 252 000 towards defraying the several charges and expenses of the Public Service classed as expense and equipment/inventory purchases for the fiscal year ending March 31, 2011, as shown in the Schedule.

Under capital investment:

From the General Revenue Fund, there may be paid [out] and applied . . . \$2 141 055 000 towards defraying the several charges and expenses of the Public Service classed as capital investment for the fiscal year ending March 31, 2011.

What I find amusing is that they just act like this is a simple, one-line budget, that, oh, it's just, you know, \$34 billion, and, oh, it's just \$2.1 billion in one line. I've never run a \$38 billion budget business, but in the businesses that I have run, when we sat down and went over the budget, we did it line by line, item by item. We had the priorities. I have to ask the President of the Treasury Board: how does he feel that the elected members are supposed to have any real input when, in fact, we just have a line item like that?

Again, several members have referred to it. I'll refer to it as well. We look at Alberta Health, a \$15 billion budget: three hours to go through it and say, oh, that's going to be adequate; oh, we're going to have to come up with some new ideas. I would even be so bold, Mr. Chair, as to say that if we really want to make some difference and to see what we have in the budget, on the Treasury Board there should be the eyes of the opposition so they can look at those things. Again, this is behind closed doors – I want to say smoke and mirrors – where they go through the line items and they bunch them all together and then say: oh, isn't this wonderful? You know, \$2.1 billion being spent here, and then they expect the opposition to be able to go through that. We need a lot more details.

I want to go back and refer again to the 17 ministries that had reductions, which is good. It's interesting that when this Premier came to power, I believe when he formed his first cabinet, he only had 18 ministries, and he said that he was going to, you know, trim down and get things under control. I believe it was six months later it ballooned to 24 ministries.

Mr. Anderson: Well, they have to give Thomas one.

Mr. Hinman: Yes. We need to give them some doubting Thomases, bring them in, add them in here so that we keep everybody happy.

But the problem is that we continue to grow at an incredible rate. The spending is out of control. The behaviour is out of control. But the real problem is the priorities. They always want to stand up and point their fingers, and say: oh, spending; oh, cutting. No, Mr. Chair. It's about priorities. That's how businesses are run. Every business can always spend more, but you still have to prioritize. You have to look at your return on investment. You have to look at where we need to put that money. I'll use a small business. Maybe it's on fire insurance. They look at: do we have the capital to replace this building or this piece of equipment if it burns down? No? Then it's a priority to say that insurance is number one. Maybe it's new technologies that we need to look at and adapt, realizing we're falling behind and can't be competitive anymore. So we need to look at that.

In our big budget here in the province, to look at the priorities, there's no question that for Albertans it's health care, it's education, and it's our legal system to protect the citizens and to ensure that we're doing the right thing at the right time and not falling behind. There are just so many areas.

Our colleague here from Calgary-Fish Creek brought forward Bill 202 about reporting child pornography, and the rhetoric that came from the government was: where would you put that in the budget? You prioritize it, not say that we don't have the budget to do that. Our little ones are our most important people that we protect. It's human nature to protect them, yet this government is so inhumane, they say: "Well, we don't need to worry about them. Instead, we're going to pass a bill that's going to give us protection from gangs by saying they have to register their bulletproof vests." Their priorities, Mr. Chair, are just way out of order, and they don't understand.

Another interesting dilemma that we have is: what are the contracts? I mean, we always hear about P3s and how we're saving money. The Member for Edmonton-Riverview again brought up the Alberta Health Services Board, saying that they saved \$700 million. Well those savings should be line-by-line items to say that this is where we've saved it rather than just a line saying that we've saved that, but we're spending \$2 billion more.

The depth that we can go into this budget is not sufficient. The time that we have to go into this budget is not sufficient. We need to look at these things and go through and say, you know: where should we prioritize?

Let's talk for a minute about infrastructure. Isn't it interesting that now for, I think, three or four years we're spending almost double what any other province in the country is spending? Again, we've got huge amounts that we're going to spend and say that now is a good time to spend, yet they weren't responsible enough to say when it wasn't a good time to spend. So now that we have no cash, they say: oh, we need to borrow to do that. When we were in a race, the government caused inflation, saying: here's \$18 billion in an 18-month time period; if you don't spend it, you're going to lose it. That isn't good budgeting. It's not looking down the road.

I've gotten up and spoken many times about the priorities of the infrastructure and what we should be doing. I'll put it out again because obviously it hasn't sunk in yet that there is another way. It's just: "Spend. Don't worry. Be happy. Someone else will pay in 24 years, and we won't be here." I'd say "two years and we won't be here" would maybe be more appropriate at this time at the rate they're going. But the debt will be, and they're going to pass it on, and that's wrong.

What we really need to do with infrastructure: we need to have a public list and say, "Here's highway 63, and here's what we're going to do in the next five years," have that out there and what the estimates are. "Here are the schools that are needed. Here are the overpasses that we're going to use, that we're going have to have in there." It seems like it always switches gears because there's a new political wind blowing. All of a sudden: "No. We need to have something down in Innisfail" or "We need to have something up in Grande Prairie" or "We won't worry about Calgary now; they're kind of a writeoff, so let's focus on some other area." They continue to prioritize. [interjection] Yes, and they're getting pushed out, and they're not happy about that. So they're redividing the centre of the universe and actually getting rid of some ridings in there, which is sad to see, from the Member for Calgary-Currie. As the barracks went their way, so will the riding. It was a sad demise, again, where there wasn't good co-operation between governments.

4:10

You know, another part of long-term planning – like I say, I'm very grateful that this government wasn't able to spend \$17 billion. They couldn't find the place to put it, so they put it into what I call their slush fund. They call it a sustainability fund, but a sustainability fund is one where you look at the ups and downs. You can cover that, but it's going to be chewed up in two, three years maximum and say: oh, that was sustainable.

Going back to the infrastructure, we're going to go into the same I want to say dive that we went into back in 2003, when all of sudden they said: oh, we need to cut infrastructure. They almost cut it in half. It decimated the industry so that they weren't able to carry on their business, and then it wasn't good. We're going to run into that same wall again because they're spending so much on infrastructure and saying it's a good time to do it, building up business here and the people that are working in that area, only to find out in two, three years max, I would say, that we can't spend \$8 billion, \$6 billion a year. Then all that industry is going to collapse again.

Sustainable and long-term growth is to say, you know, "What can we pay for the next 10 years, and what are our projects?" to have that list there so people are competitive and realize that there's a long-term project that's going to go forward. But again this government just continues to have one flop after another flop after another flop, and the infrastructure collapse is going to be one more flop that the people of Alberta are going to have to deal with because of the way this government is balancing the right balance on their budget, which is nothing but a joke because it's a major deficit that doesn't need to be, nor should it be, so out of balance with our revenue that's coming in on a year-to-year basis.

It's interesting. You know, there's a quote, going back, by Winston Churchill that's kind of applicable here because you might ask why I'm giving this quote: "We contend that for a nation to try to tax itself into prosperity is like a man standing in a bucket and trying to lift himself up by the handle." Why would he say that? This government says, "Oh, we're not going to raise taxes," which is good, but the problem is that the reason governments have to raise taxes is because of the spending that they got themselves into and the deficit and then realizing, "Oh, now we have to pay back our debt."

We need to realize that if this government is saying that they're not going to raise taxes, then they need to prioritize their spending. Just because the Wildrose Alliance puts forward a new idea or says we need to fund PDD or education or health care in a new way, it doesn't mean we want to increase spending. It's prioritization. The sooner this government realizes that, the better off the Alberta taxpayer is going to be, the better off our children are going to be, the next generation, our health care, and our education system. We have to do better.

Another paraphrase, by P. J. O'Rourke, a civil libertarian: giving money and power to government is like giving whiskey and a car and keys to a teenage boy. This is very applicable here at this point. This government's had a lot of money in the last five or six years, and they've blown it. They didn't follow a disciplined savings plan. It was spend, spend, spend. "Oh, my goodness. We've got a problem. Where are we going to spend more money? Well, okay. We'll put it in a slush fund so we can buy some votes. We'll offer the teachers: you know, we'll take your whole pension plan; we'll pay for all of it." In fact, they wouldn't even pay for their own share, which was the right thing to do, three or four years ago. There should have been \$4.7 billion put into that pension plan to give them and the taxpayers the surety that that's going to be taken care of. That's a major, major debt that's being carried by future generations. That is just simply wrong and needs to be addressed.

"What this country needs are more unemployed politicians." That was Edward Langley, 1928 to 1995. Again, it will be interesting to see who's unemployed in the next election. We'll go forward and see what the people of Alberta want.

Another fun one to go back to, Mark Twain: no man's life, liberty, or property is safe while the Legislature is in session. I will agree that too often the longer this House sits, the more damage they continue to do to the taxpayers of Alberta. I'm looking forward to

the two-week break, where we won't have some more ridiculous bills coming forward at the expense of taxpayers, much like we're going to see with wanting to register more protection equipment, where we've learned so much on just trying to register dangerous weapons. It just never ceases to amaze me what the priorities are and where the spending goes here in Alberta.

In going back again to look at, you know, a few of the line items that we're looking at here in the budget, it's important that we look at those items and analyze them and say: do we need to spend that amount of money? There's an interesting idea about budgeting. It's called zero-based budgeting. It changes the whole dynamic of how a business is run and operated. What zero-based budgeting is: we look at every item, and we say, "Are all of those things needed again?"

The International and Intergovernmental Relations: \$24 million in expense and equipment. What is that expense and equipment that we're spending there? Perhaps that's what we should have in front of us when we go into committee so that we can go through those lines and say: "You know, these are tough times. Maybe we should cut that by 50 per cent this year and do a little bit better."

We've got the Service Alberta expenses. Capital investment: \$110 million. What is that capital investment? Is it really needed? That's what the eyes need to take a look at and scrutinize. Should we prioritize this? Could we put that \$110 million off for another four years? We don't know. I don't know what the \$110 million is that they want to spend it on.

Expense and equipment/inventory purchases under Service Alberta: \$349 million. [Mr. Hinman's speaking time expired]

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

Ms Notley: Thank you. It's a pleasure to be able to rise and join in debate on Bill 15 at Committee of the Whole.

An Hon. Member: Now we'll get the opposite side.

Ms Notley: Yes. Now we'll probably end up with a different take on things, no question about it. It makes for very interesting debate, without question. Hopefully, I won't get into too much of a back-and-forth with the previous member. We've been known to do that on some of these issues.

Nonetheless, let me just start by saying that I'm not in a position right now, nor is our caucus, obviously, to be able to vote in favour of this bill and to be able to vote in favour of the budget that it enables. There are many reasons that have already been laid out, but I think that I want to sort of step back just a second and speak more generally about this.

In my view, this budget is really about choices. The question is: where do you get your money? What do you choose to spend it on? You know, I'm not going to sit here and complain about the deficit and then complain about what's been cut and then not bring it all together because I do think that ultimately that frustrates people that are listening. They want to know: "What's your answer? How are you going to do this?"

I will say that I think that ultimately this budget should be different, and the first way it should be different is that the revenue side needs to change. I'm pretty clear on that one. I don't think I quite agree with the analogy that the previous member was referring to. Nonetheless, I think it's a question about where we find our revenues and, in that, what giveaways, I would suggest, are not linked to revenue generation.

I'll just sort of generally speak to those. I'm not going to get into

a lot of detail with it. As has already been stated many times by the leader of our caucus, our caucus does not support the recent change to the royalty rollback, the step back from the previous commitments made by this government and this Premier going back as far as to when he ran for the leadership of the party that is currently in government. At that time he agreed with people like Peter Lougheed and with people who were identified by numerous polls, well over half of the province, who believed that we needed to start receiving our fair share of the royalties generated by the industry which dominates so much, certainly, of the discussion in this province and that, certainly, plays such a key economic role.

4:20

There were, of course, back at that time a number of experts that came together. They were appointed by the government. These were people that the government hand-picked. They were at the time described by the government as experts in the industry, who knew what they were talking about, so we could trust them and we could rely on them to come to us with a report about how best to capture the maximum resources in the best interests of Albertans. That panel came together, and they made recommendations about how best to do that.

Almost immediately the government decided to step back from those recommendations and not follow through on those recommendations because they were asking just a bit too much from the oil industry, notwithstanding that the panel itself, by the government's own description, was a group of very well-informed experts in the area with many relationships with the industry. Nonetheless, the government did go ahead and reluctantly agreed to implement a program that was a modified and watered-down version of that report. So off they went, and they implemented that program.

Since then, not including the most recent step back by this government, there have been six reductions in our royalty collection scheme. Six. The government has backed away from its original promise, that it made in the election, six times. One of the outcomes of that, of course, is that our revenues have come down. Now, of course, we know that we stand to lose, ultimately, about another \$750 million a year as a result of the most recently announced revenue giveback to the oil industry. Clearly, when that happens, you start to have a shortage in terms of where your money is coming in, and there's no question that there is a shortage there.

Now, the next thing, of course, that this government has also done is that they've embarked upon a long process of ensuring that the most well-off Albertans pay the least amount of tax in the country, not all Albertans, just the most well-off Albertans. They introduced a flat tax, that anybody who's ever read anything about tax policy knows is regressive and unfairly penalizes those with lower and middle incomes and at the same time gives the greatest break to the wealthiest and most powerful in the jurisdiction in question. That's what this government decided to do, so we've got a flat tax, and we give up roughly \$4 billion a year, give or take, as a result of that flat tax. We are certainly able to say that rich people in Alberta pay the least amount of tax of anywhere else in the country. We cannot say that about middle-income Albertans, we cannot say that about low-income Albertans, but we can certainly say it about rich Albertans. That's a choice that this government has made. As I said, it goes back to choices. That's not, however, a choice that I support, and I don't ultimately believe it's a choice that's in the best interests of the province.

A final example, not by any means a gargantuan one but one that still irks when we get into talking about tens of millions of dollars, is the fact that the government round about this time last year announced that it was going to collect a hundred million dollars a

year in terms of an increase in liquor tax, and then for some strange, inexplicable reason in the middle of the summer they backtracked on that. There were, obviously, some very effective backroom meetings between the industry and whomever makes these decisions in government. Of course, the details around those meetings were never explained, the rationale for the step back was never explained, yet again we end up with a hundred million dollars less on our revenue side. So we have a problem.

I absolutely believe we need to fix that problem. I don't agree with the previous speakers that government provision of service is all bad and that we must eliminate it in all cases. I think government has a role to play in providing equality of opportunity for all Albertans. Unfortunately, right now in Alberta we have the unfortunate distinction of having the largest gap between rich and poor in the country, and that's because our government takes such a hands-off approach to so many issues and so many matters that would ensure that that gap was reduced. The larger that gap, the lower the overall quality of life for people in that jurisdiction. You know, studies have shown that to be the case quite consistently.

Let me just say, then: what do those choices result in? Well, the first negative thing that they result in is a deficit. Let me just point out very briefly – I mean, people always want to talk about the tax-and-spend New Democrats. But, as has been pointed out, maybe not so much on the record but off the record, by some colleagues on the very other end of the spectrum from myself and my colleague in the NDP caucus, in fact the records show that the history of governance in Canada demonstrates that the greatest number of balanced budgets or surplus budgets have been brought in under NDP governments. NDP governments don't like to run deficits, and I'm not a fan of trying to run deficits. That's not good governance. That's not in the best interests of the people you're elected to serve.

The record speaks for itself. Since 1986 the greatest number of balanced or surplus budgets have been brought in by New Democrats, followed by Conservatives, followed by Liberals. I would refer you to the government of Canada's Ministry of Finance documentation to support that assertion because, indeed, it is true. A deficit is not a good thing, and we're not advocating deficits.

With respect to this budget, because of course we've cut our revenue and we're forgiving revenue left, right, and centre, what does that mean for what we're doing for Albertans? Well, we're making a lot of cuts in this budget, and we've had a lot of discussion about those cuts over the course of the last two months. I'd just like to highlight the ones that I am, well, I won't say most concerned about – I'm concerned I might run out of time before I have an opportunity to go through all the ones that concern me – but some of the ones that jump out at me at this point.

First of all, Education. What are we doing in Education? Well, there was a small increase to the Education budget, but when you take into account inflation and the population growth, it's actually a 2.8 per cent reduction. That was before you take into account the implications of the arbitration award, which has received a lot of attention and discussion in this House, as well as the negotiated agreement for salary increases with the ATA and other school board staff, which exceed the rate of inflation quite significantly. In fact, what's happening is that we're looking at probably closer to a 3.8 or maybe even a 4 per cent reduction in the Ministry of Education.

What does that mean? Well, it means that notwithstanding that the minister has agreed that the cost of the arbitration will be funded for this budget year, he has very clearly said that the cost of the arbitration for the year forward will not be covered, nor will the negotiated increase in salary, which is a much bigger piece. I believe we're looking at about a \$130 million shortfall, roughly; my numbers might be off a little bit. What does that mean? In many

cases that may well mean that class sizes go up and that pressures will be brought to bear on school boards, who are trying to provide an appropriate education for our children. This is a huge problem.

Our education system is probably the single most effective means of addressing that income gap, that wealth gap, that opportunity gap, which is so huge in this province. Public education is the most effective means of dealing with it, and we're going backwards. The government's own report identified that we need to reduce class size. We're setting things up so that we're going to go backwards, and we're going to grow class sizes. That is a problem. That is not good for Albertans. That's not good for the future economic health and prosperity of this province.

I'm also very concerned that these cost pressures are going to be brought to bear on our education system at the same time the government is embarking upon a process with respect to the education of special-needs children that will basically reduce the clarity of the rules, reduce the transparency of the funding models, and enhance the discretionary allocation of resources in order to bring about additional support for children with special needs within our education system. Well, that is a problem.

If you do that kind of thing, if you allow for more discretion and less clarity at a time when you're bringing cost pressures into place, I can tell you without any exception, without any hesitation that what you will do is that you will create a situation where special-needs children receive less support in the classroom. I'm very concerned that that's exactly what this budget sets up within our education system. So that's a concern.

4:30

In terms of things that don't exist now in the education system – and we're talking about cuts. I want to stop talking about cuts for a second. I want to talk about improvements, improvements that aren't even considered in this budget because everybody is pulling their hair out over the deficit and the fact that we don't have enough revenue.

What kinds of improvements? Well, for years and years and years experts throughout the world have said and, indeed, the government's own appointed experts and reviewers have said that full-day kindergarten would have a measurable effect on the educational outcomes of Alberta students. We know that we need to do that because we know in Alberta we have the lowest transition rate from secondary to postsecondary education. Part of that can go back as early as kindergarten, without question. Everybody knows the quality of your early education has huge implications for how it unfolds over the course of the next 12 years. Most provinces have full-day kindergarten. We don't. Many provinces have junior kindergarten. We don't. We should. We don't.

Another thing that we don't do enough of in this province is the provision of hot lunch programs. Time and time and time again we hear about kids coming to school hungry, having not eaten, and they're particularly hungry on Monday morning because they've been home for the whole weekend. Again, the research is unquestionable on this, the import and the merits of providing this kind of support in our school system, yet we had the Minister of Education in budget estimates speaking glowingly of the lovely charities that we have out there that are so kind to occasionally pick up food on their way to school for those extra children. Well, you know what? That's not how you feed kids. You don't feed kids based on the unpredictable, discretionary charity of people who may or may not be in any given community at any given time. We need a fully funded school lunch program to ensure that our kids are given the equal opportunity that should be afforded them through our public education system so that they're not coming to school in a situation where they are destined to do poorly.

That's the kind of thing that I would actually go forward in. I would increase funding to support those kinds of things, and I would suggest that we have to have a budget that would support it. I think that in the long term it would bring about much better outcomes for our province and for our kids and, ultimately, for those adults that they become 15 or 20 years from now.

Children's services. We've had a lot of discussion about children's services in this House over the last few weeks. Thirty-four million dollars has been cut from children's services, \$27 million of that from children's intervention services specifically. Again, the government is making a choice when it chooses to give \$750 million to the oil industry, when it chooses to give a hundred million dollars back every year to the liquor industry, when it chooses to ensure that we have the lowest taxes for the wealthiest Canadians here in Alberta. It makes a choice, and one of the consequences of those choices is that we cut \$34 million from children's services, and children suffer. They don't, by the way, suffer because of political advocacy on their behalf. They suffer because the government has made a choice to withdraw support from a certain area within our purview.

What we're going to see is less support for foster homes, and we're going to see less support for children at risk. I could get into a real discussion about – I mean, I guess the only thing is that we've of course put this issue to the minister, and time and time again we are provided with explanations that are simply not logical. Oh, well, it's not going to be a problem to deal with this funding cut because we're actually going to have more foster parents. Well, then we find out that, no, we have a bunch of new foster parents, but the number of additional foster families is nowhere nearly as great as initially presented to us by the minister.

Or we're going to be able to move children from these very expensive group homes to these so-called new foster homes, and that's how we'll save money, except we know that kids that are in group homes are there because they need them and that it's not in the best interests of children to move them out of group homes as a mechanism of saving the \$34 million that this government has decided has to be cut from this ministry.

Then we're told that, oh, well, we'll be able to save money through the outcome-based objectives and the lead agency plan, except we know that those plans are at a very early pilot project stage, and it is fanciful to imagine that they would be implemented in a way that would actually bring about savings unless they're done so in a way where the directive is to implement savings. The only way that happens is, again, by cutting services.

We've had explanation after explanation, and none of it adds up. It's very frustrating because ultimately, as I say, it all goes back to choices, choices made by this government to put money in some places and not in others.

Advanced education, another critical area which plays a huge role in ensuring equality of opportunity for all Albertans. Without getting into a lot of detail on it, again, we have a budget that has shifted the cost of advanced education from government to students. We have reduced the number of grants, and we've increased the amount we want students to go into debt. We're telling students to pay more. At the same time we're inviting, receiving – who knows what verb we have to use, but applications are flowing in from universities hoping to be able to dramatically increase tuition for certain professional programs.

What's the outcome of that? The outcome is simple. The outcome is that lower income Albertans will not have the same access to these programs. They will be discouraged from fully participating in the advanced education system that we claim to be so proud of because the cost will go well beyond their means. They

simply will not be able to secure the kind of debt that this government believes they have an obligation to secure because we are removing ourselves from the responsibility of providing an affordable university or postsecondary education to our children.

Health. Well, health is an interesting one because, of course, we had the government throw in a whole bunch of money to health at the last minute. Frankly, I think it was probably one of the most political decisions that this government has made since it's been elected, and that's saying a lot because practically every decision is a political decision. Nonetheless, a little bit of extra money for a little while: we'll see how it turns out. The problem is that we still have a huge crisis in health care. There are so many areas that I could talk about, but the one I will talk about since I have, I believe, 30 seconds . . . [Ms Notley's speaking time expired] Oh, not that, even. Okay.

The Deputy Chair: The hon. Member for Calgary-Fish Creek.

Mrs. Forsyth: Well, thank you, Mr. Chair. It gives me a great deal of pleasure to be able to stand up and debate and get on the record a few things in regard to the budget. I'm going to start off with the question that I asked in question period today to the Minister of Employment and Immigration and was somewhat ridiculed in regard to: are you spending or are you saving?

You know, Mr. Chair, I've been around a long time in this Legislature, and sometimes that's good news and sometimes it's not so good news because it kind of ages you. I will tell you that my previous background was drug and alcohol counselling, so I feel that I know a fair amount about what's going on with that particular area. I can tell you that the fact of the matter is that six weeks isn't long enough, and the southern Alberta group that is concerned about this knows that. They have professionals that deal with this. The minister spoke about the cost for the beds. Well, I can tell you that at the far end of it, it's much more costly if we are having them incarcerated or if we're having them in our health care system because of their alcohol or drug addictions and their mental issues.

You know, it's like what's been bought up before. It's called prioritization. Let's just talk a little bit about prioritization. I'm going to focus just on ministerial staff and minister's budgets and exactly what's happening in some of the budgets. There has to be some credit given to the government and not so much credit on the others. I'm just going to talk a minute – and I'm going to find my budget – about the minister's office in regard to priorities.

Priorities of the minister's office is very interesting because if we look down the line at all of the ministers – for example, Aboriginal Relations' minister's office budget was flatlined. Advanced Education took a deduction, which I think is showing leadership, quite frankly. Agriculture stayed the same. Children and Youth Services stayed the same. Education stayed the same. Energy stayed the same. Finance stayed the same, which I find interesting from the Finance minister because he stood up in this Legislature talking about how he's going to balance the books, and he can't even do anything on his own budget. Health, Municipal Affairs, Tourism's budget didn't change whatsoever in the minister's office. Transportation didn't change whatsoever. So it was interesting.

4:40

I'm going to focus on setting priorities in this government. I'd like to talk just briefly for a minute on Executive Council. I just want to talk very shortly in regard to priorities of the Premier's office in regard to their Public Affairs Bureau, which has stayed the same again, but the spending, which I find very fascinating, is on branding, which is \$9.6 million last year and now is \$7 million this

year. I still can't figure out what we're branding and why we want to brand it and have never really ever been given any sort of rationale behind that so that I could say: "Yeah. I support that. We need to get Alberta branded." Public Affairs Bureau: huge, \$14.3 million. I could go on and on in some of those, you know?

The hon. member behind me talked briefly today about children's services, and it was interesting to hear the debate in the House in regard to the description of cuts and not cuts. You know, Mr. Chair, I was a former minister of that department, had the honour and privilege of being the minister of children's services for two years and, quite frankly, am quite appalled about what's happening in the recent developments. I listened to my colleague behind me, and I don't necessarily agree with the NDP all the time, but I certainly can tell you that she's tenacious. She's like a little dog with a bone when she gets on an issue. We talked about the times, the five days or the three days. Quite frankly, it's irrelevant. The timing is irrelevant in regard to when this issue was brought forward.

As a minister of the Crown – and I was told that under the previous leader – you are responsible for what happens in your department. That particular ministry is 24/7. We spoke in estimates. We talked about some of the things. You know, I'm getting all sorts of e-mails right now in regard to the CEO of region 6, and I want to put that on the record. I had the honour and privilege of working with that particular individual when I was minister, and he's an upstanding employee. I always found that his heart was in the right place, and his number one priority was always the children in this province.

For someone to say that there haven't been any cuts in the ministry, if you go to the minister's budget, no. But then you have to start digging deeper down in regard to region 1, region 2, region 3, region 4, and all the way through. What's always fascinated me is the fact that, you know, it was pointed out to us today about the foster care support, but if you go to region 6 and see the cuts there, it's beyond my comprehension, quite frankly. When I spoke to the minister in estimates, I asked her about her own ministerial budget and asked her why at that particular time she didn't show initiative or, quite frankly, leadership in making cuts within her particular budget.

You know, there are a whole bunch of things that can be questioned in this budget. We talk about the oil and gas. I found that conversation always very fascinating when I was previously a member of the government and for two and a half years was speaking to the previous Minister of Energy about all of my concerns, what was going on in this royalty report. I have hundreds of pages, actually three file folders full of documentation that I sent to that particular minister at the time, saying: "Please don't do this. Think about what you're doing." I have kept that because I think it was important.

I had many conversations with the previous Minister of Energy, and we had some good conversation, and I know he got it. He got what was happening in this province and what was happening to the oil and gas industry. I appreciated the fact that he took the time. You know, I put a group of people together the December of I guess it would have been '08, and they drove down to meet with him. There was a group of them that I'd put together right from the big businesses to the small business to voice their concerns about what was happening.

Two and a half years, Mr. Chair, and the government finally wakes up, and they say: "Hmm. Maybe we made a mistake on the royalty, and maybe we realize all of the money that's leaving this province, going to B.C. and going to Saskatchewan. Oh, wait. We're losing investor confidence. Where's that going?" Two and a half years later they all of a sudden wake up. They have this

competitive review, and they say: "Gee. We get it." There is not an MLA in Calgary that doesn't realize the potential and the devastation that has happened in that economic engine of the oil and gas sector and not only in Calgary; it's all the way through.

I mean, I have a son that started off as a rig pig. He would phone me, and he'd say: Mom, I'm in wherever. I'd say to him: where is that? So he would explain it to me. I think we forget about all of the things that we've been doing, particularly in the regard that they're using their hotels; they're using the gas. [interjection] It's a little hard to try and focus when you've got several conversations going on around you, quite frankly, Mr. Chair, including one of my own colleagues.

An Hon. Member: It's your own member.

Mrs. Forsyth: Yes, I know.

And all that they're doing to these small towns in Alberta. You know, they're eating in the local restaurant, they're in the motels sleeping, they're gassing their trucks up, they're having a beer in the local bar, and all of a sudden that's drying up all over the province. So finally the government saw the light. Two and a half years later they saw the light, which is two and a half years too late.

Now they think they've saved it, but the haven't dealt with the royalty curves. That's very important. They have to get investors' confidence back in this province in that regard. The Energy minister can hobnob with all of the people that they want, but I think that, you know, in any relationship it's building trust back and getting those particular individuals onside. For me it's just priorities, and that priority was lost somewhere in regard to all of the things that were happening.

Mr. Chair, while this budget is going to go through because the government has a majority and we're three of us, we want to get on the record what we consider – and we've been ridiculed again on our balanced budget, but I think it's important to talk about priorities. It's not our priorities, as in the Wildrose caucus. It's Albertans' priorities and what Albertans are telling me.

It's been a fascinating process from sitting in government to coming over to a member of the opposition and something that I never dreamed in a million years, being elected since 1993, would be where I thought I would be. Quite frankly, after a lot of soul-searching and thinking about who am I exactly serving and why am I here and who am I responsible for, it was very clear to me that the constituents of Calgary-Fish Creek and, quite frankly, the constituents of Calgary and – let's go one step further – the constituents of this wonderful province that I love so much weren't being listened to. I could give you 101 examples. I could give you 101 examples of waking up in the morning and finding out about decisions that the government has made virtually without any caucus input. I'd be more than willing to put those on the record also.

Mr. Chair, we want a budget that reflects the prioritization of Albertans and what Albertans have clearly articulated are their priorities. I can tell you that there has not been one person in this wonderful province that has come to me and said: "Yes, you need to spend \$7 million on branding. That's important for Albertans." Nine point six million dollars the year before.

I want to say, Mr. Chair, that I appreciated having the time to be able to speak for a few minutes, and I'm looking forward to listening to others.

The Deputy Chair: The hon. Member for Airdrie-Chestermere.

4:50

Mr. Anderson: Thank you, Mr. Chair. I'm happy to rise and speak to Bill 15, the Appropriation Act, 2010, the budget. I talked in

second reading a lot about, you know, some of the things that this government has done or has not done to get us into the pickle that we're in financially. I'd like to focus a little bit more on the types of things I would like to see in this bill as we move forward or at least maybe in future budgets as we move forward. Hopefully, in this budget we could find a way to do it. I doubt they're going to accept these ideas, but we can at least put them on the record. I think that it's important to put it on the record.

I would say, Mr. Chair, that the Wildrose Alliance caucus did put together an alternative budget, some ideas, some amendments, some things that we would like to see in the budget. At the time we didn't have any research staff. It was just three people working really hard and getting, you know, volunteer accountants and volunteer economists to help us with the draft. It took a lot of time and a lot of effort to do it, so I wanted to make sure that it was a matter of public record as things we would like to see in this bill this year and if not this year, next year.

Budget 2010 we feel is a stunning illustration of the profound mismanagement of our province's finances by this PC government. According to Budget 2010 the government of Alberta is expecting to spend roughly \$38.7 billion dollars, as illustrated in this bill, against revenues of approximately \$34 billion. This implies a budgetary deficit of \$4.7 billion. An additional \$2.8 billion in capital investment, as it is termed, which we've debated in this House for some time, is not accounted for in the government's current deficit projection. That is seen on page 18 of the government of Alberta's fiscal plan.

This brings the government of Alberta's real cash deficit to roughly \$7.6 billion, which it plans on financing using debt, which is now estimated at \$4.425 billion over the last couple of years, and draining the province's sustainability fund from roughly \$15 billion last year to \$8.2 billion this year and, optimistically, down to \$2.8 billion by 2012. Virtually all the savings will be eliminated by 2012 according to the government's own rosy projections. This vast swath of red ink, Mr. Chair, is similar to that of Budget 2009 and is evidence that this government has yet again failed to bring spending under control despite repeated warnings to do so or face the prospect of higher taxes, a return to massive debts, and an erosion of the Alberta advantage.

A Wildrose Alliance government would not permit this to happen. Although Albertans expect their elected representatives to protect front-line social programs, health education, PDD while providing critical public infrastructure, they also expect their government to responsibly protect the Alberta advantage, live within their means, and prioritize needs before wants. Although erasing a \$7.6 billion cash deficit in one year is not practically possible without heavy cuts, the Wildrose Alliance opposition caucus believes the government can cut the cash deficit by approximately \$4.7 billion, to roughly \$2.8 billion, a 62 per cent reduction from the government's projected cash deficit of \$7.6 billion, by implementing the following spending adjustments.

Again, Mr. Chair, we are not proposing overall budget cuts; we are proposing an increase. We're just making sure that the increase is within the rate of inflation plus population growth and making sure that it is spread into the areas that are most needed, for the most vulnerable Albertans, while putting off some of the things that can wait a year or two. That is what we feel is important.

How would we do this? As was mentioned earlier by my colleague from Calgary-Glenmore, right now we spend over twice as much on infrastructure in this province – and we have for the last several years – than the next closest province on a per capita basis. You know, it's nice to build infrastructure. We all like good roads. We all like good bridges. We all want lots of different infrastruc-

ture. But we don't need it all at once. It's just not necessary to have it all at once.

It's funny. The government doesn't want to include the infrastructure in the deficit number, the cost of the infrastructure, this year roughly \$3 billion. Well, if that was the case, if it was really a cash-neutral or revenue-neutral idea, then why don't we just build \$40 billion in new roads and bridges or \$100 billion? The reason is because the cash still has to come from somewhere. It still has to be paid. In this case it's being taken out of the sustainability fund through debt financing. But the money still has to come from somewhere, and this government doesn't understand that. They think that the more you spend on infrastructure, it's just great. It's like you can spend as much as you want because it doesn't really affect the end deficit number. What a great deal. It's fantastic. Well, yeah, except that this infrastructure is being paid for by debt; it's being paid for by draining our savings.

Anybody with kids and grandkids who does not want them to have to deal with this huge debt that is going to be put on them in the future, who wants their kids to have savings so that they can offset the decline of oil and gas revenues over the long term: those kids are going to be out of luck. Our kids are going to be out of luck if we do not turn this ship around and change some of our habits.

What we would like to do is spread that massive infrastructure budget over a period, rather than a \$20.1 billion capital budget over three years, and instead extend that \$20.1 billion capital budget over four and a half years. So an additional 18-month extension on that capital budget. This would yield savings of nearly \$2.8 billion in 2010 and – this is important – stretching it over four and a half years as opposed to three years, that \$2.8 billion, would still put us in a situation where we are still spending more. It would put us slightly above that of British Columbia. It would put us way ahead of Ontario. And it would actually put us only behind Quebec, which we're essentially sponsoring right now, and Newfoundland on a per capita basis.

We're not talking about not building any roads or bridges or anything like that. We're just talking about slowing it down for a bit. And I think that that's important because as we come out of this recession, as we have been – we've been coming out of it for a while now, for several months – the bigger danger is going to be inflation. If we keep on driving inflation by these massive infusions of capital expenditure, you know, we're going to be doing a disservice to the population. So we have to be very careful. That's why it's so important to make sure that we have sustainable infrastructure spending rather than breaking the budget and spending way more than the next closest province is. It's just not good for Alberta.

You know what? I remember that a couple of months ago I got a document in my constituency mailbox, and it explained some of the roadwork that was going to be done in the constituency of Airdrie-Chestermere. It was several millions of dollars – several millions of dollars. I looked down the list. There was the finishing up of the underpass. That one is a priority for sure, so good on doing that. Then I looked through some of the other things – and these are good things to have – but there were road widenings, there was another overpass in a less populated area, there was some repaving of roads. Anyway, it totalled quite a bit of money.

You know what? My constituents, I am sure, would rather see a balanced budget and put off that road paving and road widening for a year and a half, for just 18 more months. I think they'd be willing to do that. I'm sure they'd be willing to do that if it meant that if everyone did that same type of thing, had that same type of mentality, we could balance the budget.

If we cannot spend near the top of the provinces in infrastructure spending, if we can't do that and still have good roads, then

obviously the Infrastructure minister doesn't have his priorities straight on what to do. But I think he's a good minister. He knows how to do it. He'll be able to work within a \$5 billion infrastructure building budget. I'd think he'd still be able to make sure that we had good roads and good bridges. We might have to wait 18 months for a few things, but surely we can do that.

It's to make sure that our kids aren't burdened with debt and aren't burdened with a whole bunch of infrastructure they can't afford to pay for or to maintain and to make sure that we're not draining our savings, to make sure that we're saving a little bit more in the heritage fund and building up that nest egg so that we can decrease our reliance on oil and gas as we go forward. That's a very big part of the budget that we'd like to see changed.

5:00

The second major point, major line item is with regard to health care and education spending. If we just kept increases this year in health care and education spending to the rate of inflation plus growth – we'll use the government's number, 3.5 per cent. If we increased the health care budget by 3.5 per cent and education by 3.5 per cent, if we just did that this year, that would save us \$1.33 billion. We're not talking about cutting things. We're talking about increasing. We should be taking advantage of some of the economies of scale as we increase in population. It would save us \$1.33 billion if we would just show a little restraint.

No one wants the '90s-style Ralph Klein slash-and-burn cuts. You know, at the time that might have needed to occur because we didn't have any ability to borrow money at a good rate. Maybe that had to happen. Well, now it doesn't have to happen. We don't have to slash and burn. But we will return to the situation where we may have to slash and burn if we don't get our spending under control. Health care and education is a good place to start. Three and a half per cent is a lot of money. It's many millions of dollars, many tens and hundreds of millions of dollars. If we could just restrain those two departments alone to inflation plus growth, that would yield us budgetary savings of \$1.33 billion. We're already, if you include the infrastructure spread over four and a half years instead of three, getting up to roughly \$4 billion in savings just for this year alone, which is quite an accomplishment and something I think we should do.

There are other things. You know, again, it's needs versus wants. We all want mass transit infrastructure. Very important. It's important to reduce emissions of all kinds, and mass transit is a great way to do it. It helps build the economy. It helps get labour to where it's needed faster and cheaper. It takes cars off the roads, so you don't have to build as many roads. These are all very good things. I think every party in here supports mass transit infrastructure, and to the government's credit I think they've shown that they support mass transit. That's a good thing. No one is disputing that.

We have this Green TRIP initiative, and I don't think there's any one constituency that would benefit more from Green TRIP funds than Airdrie, potentially. In Airdrie, you know, we think that we're large enough and we're connected enough to Calgary with regard to our people working in Calgary. We think that a commuter rail system in the next 10 to 15 to 20 years would be a good idea. We'd like to start planning for that and buying the land for it and all that. We understand that. But, again, we are in a time when we cannot afford that right now. The \$70 million afforded to that Green TRIP initiative can wait a year or two. We don't need to do that right now.

Another idea, of course, is the absolute most wasteful program this government has by a mile, the \$2 billion carbon capture and storage experiment. Absolutely brutal. The people of Alberta don't

want it. It doesn't matter if you're a Conservative or a Liberal. Nobody wants this program. It's just all meant for window dressing, you know, to try to placate environmentalists. It's all to kind of help our image. It does nothing to really help the environment.

What we should be investing in with regard to green technology and that sort of thing is incentives. We should be incenting people to use geothermal and giving tax breaks for those types of things. That's going to do more than this ridiculous stick-hot-air-in-the-ground idea. It has never been tested at this large scale. It has been used for enhanced oil recovery in Saskatchewan and other places for sure. On small scales it has worked, but the scale that this government is talking about will cost tens of billions of dollars to implement. A hundred million dollars this year for carbon capture and storage. We can do without that forever. Certainly, we can do without it for a year.

The venture capital fund. You know, Ralph Klein was many things to different people, but I'll tell you one thing he always said, and he said it over and over again: government should not be in the business of being in business. But that's what we keep doing. Every time I look at a press release from this government, it's about a handout to incent some company somewhere to do something. That's not our business. If you want to incent business, lower taxes, lower regulation. That's how you incent business. What you don't do is go running around the province handing out money. That's not what a Conservative government does. That's what liberals do, not the Liberal Party but liberal-minded folk. That's what socialists do. That's what happens. We don't need these corporate welfare handouts. We shouldn't be picking winners and losers. That is wrong-headed. Governments have no business in doing that.

They talk about wanting to diversify. I've got an idea. Why don't we start growing that heritage fund to the point where the interest therefrom can decrease our reliance on oil and gas revenues each year and eventually lower taxes? Let the private sector decide what the great new technology, the great new idea is. Give them that ability. The way to do that is to lower taxes, not to try to pick winners and losers and, you know: what about this; what about that? You know, it's just simply not the case.

I hear the excuse for it once in a while from government members that, oh, well, the oil sands never would have been developed if we hadn't gotten our noses in that; if we hadn't handed out those grants, it never would have happened. Baloney. It would have happened. It might have happened two or three years later, but it would have happened.

You know, every time I hear about government diversification or our government trying to diversify the province through handing out grants, I can give you a hundred examples where it hasn't worked, and I can't think of more than one or two where it has.

Mr. Hinman: It's like playing the lottery.

Mr. Anderson: Exactly. It's like playing the lottery. Once in a while you hit it, but most of the time it has been an absolute waste of money.

That's what I feel about some of these corporate subsidies. Those equal about \$210 million this year. We could get rid of those permanently. Surely, we could delay them.

And there are others. We could reduce the size of cabinet from 23 to 16. They started with 18. You know, there is no reason to have 23 ministries. I'm not going to embarrass the particular ministers by mentioning the ones that could go. [interjections]

The Deputy Chair: Hon. members, the hon. Member for Airdrie-Chestermere has the floor.

Mr. Anderson: I might start with the Minister of Employment and Immigration for sure.

An Hon. Member: What about housing?

Mr. Anderson: Housing would be up there. You're right. It could merge.

Anyway, absolutely there are all kinds of things that we could do to merge. [interjections] These ministers are very upset. They got more upset about that last point, Mr. Chair, than any other point. That's hilarious. They're worried about themselves, obviously.

In any event we could merge these ministries from 23 to 16. That would save us \$44 million this year, \$44 million if we did that. That's just off administration alone.

We could end this direct subsidization of horse racing to the tune of \$25 million per year. [interjections] Some of the members over there, Mr. Chair, just don't seem to . . .

The Deputy Chair: Hon. members, the hon. Member for Airdrie-Chestermere has the floor.

Mr. Hinman: The Liberals look good now.

Mr. Anderson: Yeah, the Liberals apparently do look good now, that's for sure. They look good to a lot of people right now compared to these folks.

The other big thing is the Public Affairs Bureau: \$7 million at least we could cut from that. I think it's a \$15 million budget. We could at least cut \$7 million out of that. Then, of course, there are the salaries. You know, I look at guys like Ron Glen, the chief of staff of the Premier, and I think: here's a guy who's making more than his boss. What has he done to warrant a \$400,000 salary? How on earth could he possibly warrant that? I look at the Deputy Minister of the Executive Council, to the Premier. You know, he might be a very skilful individual, but why is he making more than his boss? It doesn't make any sense. The reason is because this government thinks they have their own little personal piggy bank to reward their friends with, and that's what they do. It's shameful – shameful – that the chief of staff, that the deputy minister make more than the Premier. I mean, that's insane. It's absolutely amazing to me. You know, I just don't understand how it's even defensible, but some ministers do believe it's defensible, I guess.

These proposed adjustments are needed, Mr. Chair, very much so. Thank you very much.

5:10

The Deputy Chair: The hon. Minister of Housing and Urban Affairs.

Mr. Denis: Yes. Mr. Chairman, I'd like to just make a motion for unanimous consent of this House so that when we do come to a vote on Bill 15 in Committee of the Whole, if a standing vote is requested, the bell time be reduced from 10 minutes to one.

The Deputy Chair: On the motion as proposed by the hon. Deputy Government House Leader that the interval between bells be one minute when it comes to a vote on this bill in Committee of the Whole, does anyone not want this to happen?

[Unanimous consent denied]

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

Mr. Hinman: Thank you, Mr. Chair. It's important that we get

back to the most important bill that we're passing, the appropriation bill, and the need to speak to that. My hon. colleague from Airdrie-Chestermere has been putting out a few solutions on what we should be doing to balance the budget. I want to throw out a few more ideas. If we had a Treasury Board where the opposition were part of that, there are a lot of innovative ideas that come from Albertans. [interjections] He left. He was so disgusted with the way it was working. Who wants to operate under a code of silence? [interjections]

The Deputy Chair: Hon. members, the Member for Calgary-Glenmore has the floor, and the hon. Member for Calgary-Glenmore will address the chair.

Mr. Hinman: Thank you, Mr. Chair. I want to go over a few ideas on what we should be doing. I guess I want to go back and refer to a comment about the unfair, regressive tax, the flat tax. There's nothing further from the economic truth than that. What we actually want to do and need to do, which this government doesn't understand, is: what are the principles of taxation that grow the economy?

You know, the Premier has said: oh, we're not going to tax our way out of this recession. But that's exactly what he did: tax our way deeper into this recession by saying that we weren't getting our fair share and that we needed to take more because these guys have made more. When they had an \$8 billion surplus and didn't know what to do with it, he said: well, we should have \$9.4 billion, and if we raise the royalty tax, look at all the extra money we're going to get. People who don't understand economics think that by raising taxes, money comes in.

We had the hon. member talking about missing \$4 billion of tax because we have a flat tax here in the province. It's just the opposite. If you actually go back and look at the revenue to the Alberta government and the federal government, it has almost doubled in the last five or six years since we instituted the flat tax. The reason is because wealthy individuals will move to low taxation areas. Corporate headquarters move to areas with low taxation. That's what Premier Klein envisioned and realized when he announced that we were going to drop our corporate tax from 15 per cent to 8 per cent. But somewhere along the way there, around 11 per cent, they got sidetracked because they thought they needed to spend more money.

We need to continue looking at how we reduce the tax and get it down there so that corporations set up their head offices here, so that businesses are set up here. We want industry here in Alberta. We don't want to be shipping out our produce not vertically integrated, using all advantages of the produce that we have, whether that's wood, agriculture, oil and gas. All those areas should be vertically integrated here in Alberta. Why? Because the tax structure is an incentive for them to come here.

Let's talk about a few of the problems, what we should be doing. We really should be putting pressure on the federal government. I remember a few years ago when the finance minister said that we were going to implement a six-month capital gains exemption period. The reason was that if someone had some capital gains, they could move that over into a new area that had an opportunity to grow.

The most important thing in growing an economy is having capital available. You don't want to punish capital. You want to reward capital by instituting and putting pressure on the federal government and saying, you know: "You talked about a six-month window. Let's go with a one-year window so that the innovative Albertans, innovative Canadians who come up with ideas can actually move their money from something that has worked but is trapped there,

move the entire amount into the new area and grow.” We really should be looking at that. What are we going to do to attract capital? The capital cost allowance is what allowed Alberta to develop their oil from the oil sands. It was a great opportunity for entrepreneurs, big business to come in and to raise capital because they were going to get a fast return on the money.

Let’s talk about an area that I’ve talked about before. We have an RRSP, a registered retirement savings plan, one of the good things the government did going years back, realizing we have an unfunded liability with the Canada pension plan. Let’s get these people excited about helping people to help themselves. What we’ll do is have an income tax deduction for people who want to open up an RRSP. That’s the type of tax incentive that allows people to help themselves and move forward, and that’s what we need to do if we’re going to get ourselves out of this recession quicker.

If we were to have a capital investment and inventory savings plan, when a business might sell a portion – or let’s take a rancher or farmer who because of the drought, the bad times, needs to sell off some of his land, maybe some of his cattle. We made a concession a couple of years ago during the drought and allowed them to have a two-year time span to replace that. If we were to develop a capital investment and inventory savings plan, what people could do is put that in there just like a registered retirement savings plan, tax free, and then when an opportunity comes along, they could draw that capital. Maybe it’s for the film industry, that we have an opportunity here, and you want to draw that capital and put it in there. That’s what we need to look at, some new tax incentives that don’t cost the taxpayer but actually bring in capital so that we can grow the economy.

We should be looking at having a discussion that education isn’t free. It’s very expensive, yet I think everybody here in this House would agree that it’s worth it. We want our children to go. We want ourselves to be able to upgrade and to become more educated so we’re more competitive in the world. But how do we do that? We keep talking about that we need to increase taxes. We need more money to go there. Well, there are actually some pretty innovative ideas out there on what we could do. Let’s take the RRSP concept again. If we were to tell students that after you graduate, you can have an income tax deduction on your income if you pay it off to your student loan, all of a sudden it becomes affordable. When they have the income coming in, when they’ve got their job, they can pay it down at an accelerated rate. Then all of a sudden they realize that, you know: I can take an extra year or two because when I get out, I’ll have the opportunity.

Another interesting idea that’s out there is an actual education trust fund, which members in this House have talked about. Actuaries that I’ve had a little bit of involvement with say that the average cost of your education is about 1 and a half per cent of your income in the long term. So if we were to set up this education savings fund, people who went to university and graduated actually could sign on and say, “You know, I’d be interested in paying a 3 per cent premium on whatever income tax rate I’m at. I’ll pay a 3 per cent premium that would go into the education savings fund.” Then that fund would be available for other people to go, and it would start to grow.

Those are ideas that people, if they can’t afford it, look at. Let’s say that you’re in the arts, and you’re going to become a piano teacher, and there isn’t a great opportunity to earn a lot of money. Maybe their tax rate instead of 19 per cent would be 22 per cent. For a successful businessman at maybe 49 per cent it would be 52 per cent. But the idea is: let’s get some funds in place that keep it affordable.

Another area in order to save money and be more efficient is that

we need to look at a new funding formula with municipalities. We have these cap in hand, where you always have to go and ask, you know, the provincial or the federal government for money because they’ve taken it out of our communities. I just want to go over a few numbers here. Back in 2006 the city of Calgary, the individuals there, paid \$5.1 billion in personal income tax out of the city of Calgary; they paid \$2 billion for provincial income tax: \$7.1 billion left the city of Calgary in 2006. I haven’t been able to get the numbers for how much corporate tax came out of Calgary, but I’m sure that it is one of the higher areas because of the corporate towers and the businesses that are there.

5:20

The other interesting thing though, Mr. Chair, is charitable giving: \$434 million was donated by Calgarians to nonprofit and charitable organizations. That is phenomenal at that rate. Albertans want to give to good causes, and I put forward and truly believe that Albertans will give their money to charitable organizations and nonprofits at a far greater – what would I say? – rate if, in fact, the government would just step back a little bit and say: “You know what? We’ll give you the same tax breaks that we give to political donations.” Let’s even step it up one higher. What if we were to say, “You know what? Ten per cent of your income, maybe 15 per cent, whatever it is, if you’d like to give that to a charitable organization that’s registered and accredited out of the provincial or federal government, that would be an income tax deduction.”

There’s a phenomenal organization in Calgary that deals with youth that have addiction problems. It’s called ARC. They raise, I believe, 70 per cent of their own money, and their success rate is phenomenal. The government does give some, but what would happen if we were to change, where successful businesses, successful individuals could give 10 or 15 per cent of their income to a facility like that? You would see that the great facilities that are working would continue to grow, and we’d actually fill that void and help organizations to help the people that really need it.

We need to step back and rethink: how are we going to run our budgets? How are we going to provide the social services that we need to the people here in Alberta? I think that if we go back and look, government isn’t the answer, though so many in this House seem to think that, “Oh, I can look after housing, and I’m going to be able to help that. Oh, I’m going to look after immigration and employment, and I’m going to be able to help those areas. Oh, I’m going to look after tourism, and all of a sudden it’s going to flourish,” like those things couldn’t happen without these ministers. The bottom line, Mr. Chair, is that we can and we will do a lot better if government was to step a little bit to the side.

There are a couple more quotes here that I want to put out. “The government is like a baby’s alimentary canal, with a happy appetite at one end and no responsibility at the other.” That’s what this government has been like. There’s just been a lot of . . . come out the other end that isn’t in our best interest, and there isn’t a diaper to catch it and do something with it. We have a problem. By the way, that was Ronald Reagan. Who else would come up with something like that? Awesome saying. So remember that you’re not wearing a diaper, and it’s a mess.

“A debt is just as hard for a government to pay as it is for an individual. No debt ever comes due at a good time. Borrowing is the only thing that is handy all the time.” Will Rogers. It’s just a real problem.

I wanted to turn for a minute now to the government’s fiscal plan. On page 3 we have: “2010-13 Capital Plan supports \$20.1 billion in projects.” The first question I would ask: is that sustainable? Can we and do we need to spend another \$20 billion from 2013 to 2016?

I think the answer to that would be no. We need to look at it more. This money that we have, the revenue coming in, doesn't need to be burning a hole in the government's pockets, thinking: if we don't spend it, you know, what's going to happen to this money?

It's not being spent well. You know, we have health, school, and postsecondary facilities: \$4.4 billion. Have we gone through a line-by-line item to see and check if we really need to do that for infrastructure? We have hospitals that we can't open, we can't finish because we don't have the money. It has not been good budgeting. Municipal infrastructure support: \$5.2 billion. We have the Green TRIP, again, an area where we should have tax incentives for people who want to go green, not the government picking and choosing a few that in all likelihood – and of course the big one; we'll get to that in a minute – aren't going to work. It's just wrong.

Other capital expenses: \$4.7 billion for carbon capture and storage, housing, and one that I'm really in favour of that we really should be looking at for the future, water infrastructure. But what that doesn't include – when I've done a little research, it's not about water storage. We don't need to be storing CO₂; we need to be storing H₂O. Why are we not looking at off-stream and on-stream areas where we can and should be developing dams? We're already at a critical stage. There is climate change going on. That is something that we can all agree on. What's causing it is definitely up for debate. [interjection] The hon. member doesn't think climate change is happening? I mean, just what happened with the weather today versus the day before, we see climate change. It's been ongoing since this earth began.

Let's look at this other capital expenditure, though, carbon capture. Why would we spend \$2 billion on something that in all likelihood is just going to be another magnesium plant, that we can say is a government boondoggle. It's a silly thing to be spending money on. We shouldn't be doing that.

Again, I want to go back to water infrastructure, water storage. That's where the budget should be prioritized. We haven't built a dam since the Oldman River dam.

An Hon. Member: Wrong.

Mr. Hinman: A major dam. We've had a few small storage ones, but we need some major water storage. I'll grant, hon. Member for Livingstone-Macleod, that, yes, we've built a few, but you have to acknowledge that they've been very small in comparison to the Oldman River dam and the need that we have.

The fact of the matter is that we have more and more water coming in a shorter and shorter period. If you look at emergency spending, whether it's Okotoks, High River, the different cities, because of the huge amount of water that's been coming in a short period, if we're going to be wise in the use of our resources, we need to be able to store it. It's critical. It's smart. It's something that we should be looking at. That's a project in infrastructure that would again be looking at people's future and the development of Alberta.

Now we get to the really alarming point, direct borrowing: \$1.5 billion directly borrowed in 2009-2010. Why are we borrowing money? Capital projects is why, they say, which includes an estimated hundred million in Alberta capital bonds. Overall in the three years we have a \$3.3 billion plan to borrow. It's wrong, Mr. Chairman. Those are the things that we should be debating and talking about in this bill. Why are we going out and spending that kind of money? I do not understand other than the fact that there's no accountability.

I want to go back, though, to municipalities and the importance of why we should be changing the way we're redistributing our tax here in the province. We need to be setting an example in working

with the federal government. They're taking the lion's share. Going back to the Calgary example, \$5.1 billion to the federal government in personal income tax, \$2 billion to the provincial government in personal income tax. What I believe we need is to set up a formula, just like the government has now done with the fuel tax. There's a percentage that comes back. What if we were to say that 30 per cent is returned to the area that generates that money, 30 per cent to the province, and maybe 40 per cent to the feds? All of a sudden we have sustainable communities.

You look at an area like Fort McMurray, which has contributed billions and billions of dollars to the Alberta and federal governments in revenue, yet they've got a stranglehold on building the seniors' facility. They can't put the education, the bridges, the roads in there, yet the money came from there. We need to realize that that percentage needs to go back to those areas, and all of a sudden they're sustainable. We really need to address this. It always kind of amazes me how each level of government says: "Oh, we're the only one that's accountable. We can't trust municipal government. They wouldn't spend the money right." We need to set the rules and regulations and say, "Well, here's some money for this road," or "Here's the money for a C-train or an LRT," or "Here's a little bit of money in designating it." What we need to do is to return that money to that municipality and let them prioritize where they need to go.

I kind of got a chuckle a few years ago. I was up in Grande Prairie. They had potholes that were just terrible, and they needed to address it.

Mr. MacDonald: How big were the potholes?

Mr. Hinman: So big that I can't say it. It was embarrassing how big they were. You went over into B.C., they were good. In Grande Prairie I don't think we lost any vehicles, I don't think we lost any people, but we lost a lot of money because of the cost of driving and hitting those potholes and the damage that it was doing.

The problem was they applied to the provincial government, said, "We need some extra money," and they said no. Yet the next year the provincial government comes out with this idea of, oh, we'll have a pothole fund to go to these areas. Well, Grande Prairie had already spent the money, so they didn't qualify.

5:30

The problem, where we're really having the deficit, is the democratic deficit. That's the problem. Let's get to the root of this. Are we as elected representatives accountable to the people who elected us? Are we at the local level, the provincial level, the federal level? No, we're not. We need openness and accountability. If we were to put recall in place, we don't need to worry about the money that goes to Calgary or Airdrie or Grande Prairie. The local people can hold their elected people accountable through recall if they're spending the money wrong. To think that a bigger government that's further away is going to hold us responsible: it doesn't work. They don't understand the priorities. We need to change, and we need to look at that.

What we need to do is have a formula, and we need accountability. Again, what we need are open documents. If you go and talk to a councillor in a smaller town, let's say Airdrie . . .

Mr. Anderson: A smaller town?

Mr. Hinman: Well, I mean, compared to Calgary. I'm sorry. It's a tenth.

. . . with a hundred-million-dollar budget, those people that are

elected there to make those decisions go through that budget line by line, and that's what we need to be doing. We need to make sure that . . . [Mr. Hinman's speaking time expired]

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

Mr. Anderson: Thank you. Well, there's just so much. I wish we had more time, and I'm sure the members opposite wish for more time as well.

You know, you brought up democracy, and it was in a different context, hon. Member for Calgary-Glenmore, but there is some truth to that on our budgeting, actually. Part of democracy, of course, and having a healthy democracy is transparency. How many times have we been sitting in this House and I'll say or somebody will say: "Look, we need to balance the budget. This is what we need to do"? Then you'll have government members saying: "Oh, what schools would you blow up? What hospitals would you blow up? What would you do to achieve a balanced budget here? Oh, it would just be absolutely the worst thing ever if you were given the reins because you'd just blow everything up" or "You wouldn't build a school for the rest of all time" or something like that. It's an amazingly silly argument, and it's one that's made over and over and over again, but we're used to hearing it over here.

Part of a good budgeting process would involve transparency. Part of that would mean making the infrastructure list of projects for education, for health care, for infrastructure, for roads, for all things. If we're going to build something, it should be on a list. It should be on a priority list, a specific one. I know that there's a 20-year capital plan, that there's a three-year plan, a five-year plan, and all that, but those things get mixed up so much. There's got to be a master list of projects and the order that they are going to be built in as capital becomes available for them. If we were able to do that, we could as a government, as a House start having conversations about what things can wait, what things can wait a year and a half or two years or three years or four years or more, and what things we need to move up.

The classic example of that is the airport tunnel. That's a priority project, and this member, the Member for Calgary-McCall, has been just very adamant about that. It's also important to the community of Airdrie. But it's so difficult as an opposition member to have the discussion and have the debate and say: "Look, if we move this airport tunnel up on the capital list, we could do that, but what could we take out, or what could we delay?" It's so difficult to do that because there's no transparency. We don't know what the exact priority list is, so it's very difficult. I mean, there are things, I know, in my constituency that could wait 18 months, 24 months, or even longer. I'd be willing to have that conversation, but it's difficult to do that when we don't have the list in front of us. There's also no accountability.

What happens is that the giving out of infrastructure becomes highly politicized. I know it's highly politicized, and people in this House know it's highly politicized. Now, a lot of times political decisions are made that are good, and they end up being the right decisions. But oftentimes they're not the right decisions, and we have bridges to nowhere in this province. I drive through Innisfail every time on my way to work up here at the Leg. There is literally a bridge to nowhere in Innisfail. It's unbelievable. It's funny because this Minister of Infrastructure even admitted to me once that he didn't know how that got built there so quickly or in front of the Airdrie underpass. But the point is that there's no transparency. There's no accountability. How can we possibly know what can wait and what can't wait?

The Calgary airport tunnel is a priority project. It should be a priority project. But we can't skyrocket the deficit even more than it is, so we've got to find other places that we can delay or that we can wait for. In order to have that conversation, we need a transparent priority infrastructure list. I would really hope that in the future we could do that. It would mean that politicians, regardless of who's in government in two or four years, would absolutely have to be accountable for what they do. They couldn't just slide a project at the last minute into the budget and say: now it's a priority.

I mean, we've seen this already with health care. Some of the priorities have changed a lot in the last couple of weeks. The minister is saying: it is a priority. Alberta Health Services is saying: it isn't a priority.

Mr. Danyluk: How would you know that?

Mr. Anderson: Well, it's in the media, hon. member. The minister of health is quoted as saying that a certain project is now a priority, and it wasn't a priority before for Alberta Health Services.

As we go forward, it's important to have that transparency so that we can know where to give and where to take, so that we can have accountability, so that money isn't wasted.

You know, I'd like to move quickly, with about seven minutes left here before the vote, and talk about the hidden cash deficit in this budget and in this Appropriation Act. Obviously, the government of Alberta is claiming a \$4.7 billion deficit in Budget 2010, but of course that's not the whole story. There's at least one set of expenses that is not included in this budget deficit. The total capital spending is projected to be \$7.2 billion, yet only \$4.4 billion of that in infrastructure spending appears in the budget as a line item expense. An additional \$2.8 billion of capital investment in government-owned assets is not included in the government's quoted deficit number.

Now, what I'm not alleging is that anything illegal is happening by this. They are following generally accepted accounting principles. There's no doubt about that. That's not what the argument is. The argument is that they seem to be saying – and it says right on page 18 of their fiscal plan – that that money, because it's offset as an asset on the books, is therefore okay. It doesn't expand the budget deficit number from \$4.7 billion to \$7.6 billion. Under that logic, again, we could build \$30 billion, \$40 billion, \$50 billion in new infrastructure – and I'm sure that the Minister of Transportation would love that – and we'd still have a \$4.7 billion deficit. We could build not just the ring roads that we're building now, but we could build three more in each city, and we would still be running a \$4.7 billion deficit. If the province wanted the airport tunnel, we'd build that. We'd still be at the same budget number for deficit, \$4.7 billion. It makes no sense.

The only reason we know it's happening, essentially – and we see the damage of it – is the sustainability fund. The sustainability fund is going down by \$7 billion this year. If you have a \$4.7 billion deficit, that doesn't equal the sustainability fund going down \$7 billion. On top of that, there's an additional \$1 billion in new debt. So that's \$8 billion in deficit financing that this government is using not just for the \$4.7 billion stated deficit but for the additional \$2.8 billion, that they're not counting as an expense because it's offset as an asset on the books.

5:40

That, to me, is not as transparent as it should be, to say the least. We need to start having a debate. What happens next year or in 2012? You know, the government, of course, is going to be back in the black. Well, hopefully, they are back in the black. I sure hope

so. But when they say that they're back in the black, are they really back in the black, or will they still be going into debt further and draining the sustainability fund further? If they continue in the current accounting practices even when they get to surplus – let's say that it's a \$100 million surplus – if they're still spending \$3 billion on capital, that actually means that we are still in debt by \$3 billion or that we're still in the hole \$3 billion on a cash basis.

That money is going to come out of the sustainability fund, that money is going to come from debt, and that is the not the legacy that I think this government, any member in this House – who wants to leave that legacy? Who wants to leave that legacy to our kids: no sustainability fund by 2012, or \$2 billion left, having used virtually all the interest from the heritage fund for the last however many years; no building of the heritage fund except by, you know, a few inflation-proofings. We lost all that when the market crashed, and we haven't rebuilt it up. That's the legacy that this government is going to leave to our kids in 2012.

Now, obviously, democracy is a great thing. Now that there's a little bit more democracy in this province, I'm assuming we're going to move towards more fiscal accountability in one way or another. However, the position that this government has put our province in is just totally unacceptable. They take credit for those who went before them, for the parties and the leaders that went before them, for their successes, and they blame everyone else but themselves for the current state that we find ourselves in. There are a lot of fiscal conservatives in this House. There are some in every party, I think. Well, maybe not in every party, but there are in most parties. I looked over my shoulder.

Mr. Hinman: They claim that they'll be fiscal conservatives.

Mr. Anderson: They claim it. That's right.

The point is that we all want to see fiscal responsibility, so let's move towards that. The way to start is to put in place a long-term fiscal plan, Mr. Chair, where we restrain our spending. Obviously, the current ministers are incapable of doing that, or at least their ministries are. Maybe it's a bureaucratic problem. Maybe it's their bureaucrats that are giving them a hard time. I don't know. But they can't seem to restrain their spending. They sure haven't over the last 10 years and certainly not over the last three years. The biggest spending spree has been in the last three years.

If that means that we need to institute a cap on increases and spending at the rate of inflation plus growth, then maybe we need to do that. If we do that, as we recover, we can put more away into the heritage savings trust fund, we can build back up the sustainability fund, and we can build that heritage fund to the point where the interest earned there will reduce our reliance on nonrenewable oil and gas revenues. It will allow us to decrease taxes over the long term and diversify our economy. That's what we need to accomplish. The current methods of running around putting out fires, overspending: it has to stop. I sure hope that we can begin moving in that direction as we move forward.

I'm going to make a motion now, Mr. Chair, to reduce the time of the bells on a standing vote to one minute from 10 minutes, if that's okay, with the unanimous consent of the Assembly.

The Deputy Chair: Okay. If I can phrase this for the hon. member, pursuant to Standing Order 32(3) the hon. Member for Airdrie-Chestermere has requested unanimous consent to waive Standing Order 32(2), which calls for a 10-minute interval between bells, and shorten it to one minute. So I'm going to ask one question. Anyone who is not in favour of that, please say no.

[Unanimous consent granted]

The Deputy Chair: Pursuant to Standing Order 64(4) I must now put the question proposing the approval of the appropriation bill referred to the Committee of the Whole.

[The voice vote indicated that Bill 15 was approved]

[Several members rose calling for a division. The division bell was rung at 5:45 p.m.]

[One minute having elapsed, the committee divided]

[Mr. Mitzel in the chair]

For the motion:

Ady	Denis	Lund
Allred	Drysdale	Marz
Amery	Elniski	McQueen
Berger	Fawcett	Ouellette
Bhardwaj	Goudreau	Prins
Blackett	Hayden	Quest
Campbell	Jacobs	Snelgrove
Dallas	Klimchuk	VanderBurg
Danyluk	Knight	Weadick
DeLong	Lukaszuk	Woo-Paw

5:50

Against the motion:

Anderson	Kang	Taft
Hehr	MacDonald	Taylor
Hinman		

Totals:	For – 30	Against – 7
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[Motion carried]

The Deputy Chair: Hon. members, pursuant to Standing Order 64(4) the committee shall now immediately rise and report.

[Mr. Mitzel in the chair]

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

Mr. Weadick: Thank you, Mr. Speaker. The Committee of the Whole has had under consideration certain bills. The committee reports the following bill: Bill 15.

The Acting Speaker: All those members of the Assembly who concur with the report, please say aye.

Hon. Members: Aye.

The Acting Speaker: Opposed, please say no. So ordered.

Government Bills and Orders Third Reading

Bill 1 Alberta Competitiveness Act

The Acting Speaker: The hon. Member for Drayton Valley-Calmar on behalf of the hon. Premier.

Mrs. McQueen: Thank you, Mr. Speaker. It's a great pleasure for me to rise today and move third reading of Bill 1.

I would like to thank all members of the House for the great debate that we have had on Bill 1.

Thank you, Mr. Speaker.

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

Mr. MacDonald: Thank you very much, Mr. Speaker. On third reading of Bill 1, I'm not convinced that this legislation was necessary from the start. I'm not changing my mind and at the last moment going to support this supposedly flagship bill. This bill to me indicates just how light the agenda is on that side of the House. Certainly, we can be competitive with our taxation rates, with our productivity rates, with our royalty rates without having this notion that was provided in Bill 1.

Thank you.

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

Mr. Hinman: I'd also just like to go on the record to say that this is

a sad day, to think that Bill 1 is the flagship bill. It's an embarrassment to the people of Alberta to say that we need a bill to be competitive. We used to have the Alberta advantage. It's very sorrowful that this is the first and the flagship bill of this government.

The Acting Speaker: Any other members wish to speak?

The hon. member to close debate.

Mrs. McQueen: Close debate. Question, please.

[Motion carried; Bill 1 read a third time]

Mr. Denis: By popular demand, Mr. Speaker – we are late in the day and late in the hour – I would move that we call it 6 o'clock and that the House stand adjourned until 1:30 tomorrow.

[Motion carried; the Assembly adjourned at 5:53 p.m. to Thursday at 1:30 p.m.]

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