

Legislative Assembly of Alberta

Title: Wednesday, February 28, 1996 8:00 p.m.
Date: 96/02/28

head: **Committee of Supply**

[Mr. Tannas in the Chair]

THE CHAIRMAN: I'd like to call the committee to order.

head: **Main Estimates 1996-97**

Transportation and Utilities

THE CHAIRMAN: Although lottery funds are under the responsibility of the Minister of Transportation and Utilities, they are not to be considered this evening because of course under our Standing Orders they're on a separate occasion.

MR. DAY: Could you repeat the remarks you just made related to the lottery estimates?

THE CHAIRMAN: The committee is reminded that we have under consideration the estimates of the Department of Transportation and Utilities. We will not be considering items under the lotteries, because although it's the responsibility of the minister, under Standing Order 58(2) that is a separate item, and until we receive instructions from the Assembly to the contrary, I'm obliged to go with that.

DR. WEST: I have to point out to the Assembly that these are now our consolidated income statements, and under the new format of reporting it's now integrated with the Department of Transportation and Utilities and totally entwined in the budget here tonight.

THE CHAIRMAN: Well, that may prove awkward during the course of the evening, hon. minister.

HON. MEMBERS: Take a motion.

THE CHAIRMAN: I can't take a motion in committee to deal with that particular item.

MR. DAY: Mr. Chairman, maybe we can begin discussion on Transportation and Utilities, and other comments could even be tossed in. Members opposite have indicated that they are prepared and ready to be discussing this, and as the minister proceeds to make his remarks related to transportation, I could probably take a minute or two to confer with the Chair to relieve any discomfort about this particular process.

THE CHAIRMAN: Okay.

Before we commence further, I also would remind hon. members that the convention is that although this is the informal session, members are allowed to move around quietly, but we only have one member standing and talking at a time. For the benefit of the people in the gallery, members may only speak to the estimates from the positions that they normally hold in the House. So you can't have for instance somebody who'd normally sit over here wanting to speak and address the minister from some other position. They must be in their places when they're addressing the committee.

With those remarks, we'd invite the Minister of Transportation and Utilities to begin this evening's discussion.

DR. WEST: May I, Mr. Chairman, ask that we revert to introduce some guests?

THE CHAIRMAN: All those in favour of introduction of visitors, please signify by saying aye.

HON. MEMBERS: Aye.

THE CHAIRMAN: Opposed? Carried.

head: **Introduction of Guests**

DR. WEST: I'd like to take this opportunity to introduce some very important people as it relates to this budget this year. They've worked very hard on the reorganization and restructuring of both Transportation and Utilities and the Gaming and Liquor Commission. Somebody said to me on the way in, "I didn't think there were that many people left in the department," but I want to assure you that the right people are left, and I'd like to introduce them. If they'd stand as I call their name, then they would receive the warm welcome of this House: Jack Davis, the Deputy Minister of Transportation and Utilities; Jim Sawchuk, assistant deputy minister of safety and technical services; June MacGregor, assistant deputy minister of corporate services; Les Hempsey, director of financial planning; Jayne Jeneroux, director of communication, Transportation and Utilities; George Pedersen, now the chairman of what's to be the new traffic safety board, which is the combination of the Motor Transport Board and the Driver Control Board. From the Alberta Gaming and Liquor Commission: Bob King, chairman and chief executive officer; Norm Peterson, director of finance and administration; Roy Bricker, director of corporate development; and Darlene Dickinson, director of communications. My assistant, Jim Kiss, tagged along; instead of going out tonight, he's here. So I'd ask you to give them the warm reception of this House.

head: **Main Estimates 1996-97**

Transportation and Utilities *(continued)*

DR. WEST: Mr. Chairman, I'd like to file the '96 to '99 business plan and supplementary information incorporating the changes. Our main business plan was introduced at budget time, and I'm sure that each department as they've changed their plan will be filing those.

Now, you've thrown a bit of a curve at us tonight because this is the first time that we've brought forth the departments in which we have totally consolidated the income and expense budgets. As I said, I'll start with transportation, and hopefully by the time I get through this we can have a green light to go ahead with the others, because it's totally entwined within this budget.

I'd like to start by drawing your attention to page 394 of the government and lottery funds estimates. What you see there is the consolidated income statement for the ministry. So if you look at 394, we'll start. It shows the different financial entities that make up the ministry in a way that reflects the government's commitment to fully consolidated budgeting. When viewed on a consolidated basis, the various entities that make up the ministry show a surplus, which contributes to the government's general revenues and balanced budget.

On the revenue side you'll note that the key sources of income for the ministry are the lottery fund and the Alberta Gaming and Liquor Commission. On the expense side of the ledger, I'll point out that the departmental program expenditures of Alberta

Transportation and Utilities balance against revenues collected from motor vehicle fuel taxes and driver licensing fees. These revenues are shown in a later table. Fuel taxes and fees are not included in the department revenue statement. In effect Alberta is reinvesting the taxes and fees it collects from the road users back into infrastructure.

All right; let's start now with Transportation and Utilities. This will be consistent with what you've said, and I'll hear later whether you'll let me go on to the next package here. I'm going to begin by stressing two major points. The department has achieved significant reductions in staffing levels and operating budget. These reductions will not compromise the quality of service that Alberta Transportation and Utilities will provide to Albertans, and they won't compromise the safety and integrity of our transportation infrastructure. In fact these reductions will enable us to reinvest in the infrastructure to preserve it at its current high standard and to make strategic reinvestments that will upgrade and improve it.

Alberta Transportation and Utilities remains committed to providing key services and programs to Albertans: primary highway maintenance and rehabilitation, road grants to municipalities and rural utilities, and essential safety, disaster, and emergency services.

Here are the details of this budget. Let's look at the reductions. How have they taken place? The outsourcing of highway maintenance, engineering design, and construction supervision will be completed during the 1996-97 fiscal year. In addition to these radical changes in program delivery, the department is making significant administrative changes. Road safety functions from Alberta registries are being integrated with Alberta Transportation and Utilities. The department is re-engineering its business processes, making it more efficient and responsive, and some administrative and support functions are being transferred to client organizations or outsourced, such as the information technology function.

Administrative and program delivery changes will result in substantial decreases in manpower. The budgeted manpower was 2,835 in 1995-96, and it'll go to 1,280 in '96-97, a decrease of 1,555. That includes an allotment of FTEs of about 500 for wage hirings which weren't used. A large portion of these people are finding work in the private sector. For example, over 80 percent of the permanent maintenance staff in the five districts where highway maintenance has been contracted out are now working with the contractors. In the department's information system branch 50 percent of the staff will move to the private-sector information technology supplier.

8:10

Every budget element related to the delivery or administration of Transportation and Utilities programs shows a reduction. These elements will realize over \$17 million in savings for a 25 percent cost reduction in 1996-97. Other reductions and savings are a \$19.8 million reduction in the Canada/Alberta infrastructure work program, a \$31.2 million reduction in amortization due mainly to transfer of local road and bridge assets to transitioning municipalities – those were the improvement districts, as you remember, and we moved over a great deal of our infrastructure to them – and a \$12.6 million reduction in disaster relief programs, where we were involved in the flood in southern Alberta. All these factors have resulted in a major decrease in the department's operating budget from \$694.8 million to \$615.8 million, a total decrease of \$79 million.

What have we been doing with these savings? One of the

things that was stated at the beginning of the restructured Transportation and Utilities plan was that realized savings would go back into maintaining and rehabilitating our infrastructure.

Let's look at the reinvestment. While these factors I just said have resulted in a \$79 million decrease in the operating budget, they allowed for reallocation of funds within the operating budget so that key elements may be increased. Alberta Transportation and Utilities is committed to preserving the infrastructure, and this shows in the \$4 million increase for primary highway rehabilitation, from \$46 million to \$50 million.

There is a \$7 million increase for primary highway connector grants to cities, from \$7 million to \$14 million. That's the Alberta cities transportation partnership, and you'll see it under that level. This will go towards work in the cities to improve the north-south trade corridor. One of those projects announced the other day was the Anthony Henday Drive improvement around Edmonton. These factors have allowed for an increase to the department's capital budget from \$120.5 million to \$127.8 million. The total increase: \$7.3 million. Almost all of this capital increase will go to primary highway capital construction.

The major long-term focus over the next 10 years will be upgrading the north-south trade corridor. This route runs from Grande Prairie in the north through Edmonton, Calgary, and Lethbridge to Coutts and on to the U.S. border. It includes highways 34, 43, 16, 16X, 2, 3, and 4. The department will spend more than \$50 million per year on rehabilitation and new construction related to this initiative over the next few years. Over one-third of the total expenditure along the route will be in and around the province's major cities. These additional expenditures will be funded largely from savings realized through departmental restructuring.

In 1996-97 the department will manage these key capital projects along the route: begin four-laning of Highway 4 between Coutts and Lethbridge, continue four-laning of Highway 3 between Fort Macleod and Lethbridge, complete the Highway 60 interchange on Highway 16X, and complete passing and climbing lanes on the southern sections of Highway 43. The department will also fund the following projects along the north-south corridor: under the Alberta cities transportation partnership continue the extension of Anthony Henday Drive in Edmonton, work on Highway 4 in Lethbridge and on Highway 2 in Grande Prairie and right-of-way purchases in Calgary, pavement rehabilitation along Highway 43 between the Whitecourt and Fox Creek areas. The total expenditures funded by the department for maintenance, rehabilitation, and construction of the province's primary and secondary highways and local and municipal roads equates to \$357 million out of this budget.

One of the key roles of this department in the future – and that's what we've been doing in all of this: defining the role of government as it relates to Transportation and Utilities – is safety, and we intend to put the full force of this department, its policy and its future, into that direction.

Alberta Transportation and Utilities' commitment to preserve and maintain the infrastructure work hand in hand with the high priority it places on safety. The department will be able to meet its safety responsibilities more effectively and efficiently with the integration of road safety programs, driver education and licensing and impaired driving programs, through Alberta registries and Alberta Justice. Private agents will continue to handle licensing and vehicle registration functions, and Alberta registries will continue to co-ordinate those services. But Alberta Transportation and Utilities will be the single government focal point for road

safety policies and programs.

Motor carrier safety will continue to be a priority. The department will continue to monitor the motor carrier industry for compliance with commercial weight, dimension, and mechanical safety requirements. Evidence of the department's commitment lies in the increase of transport field staff from 86 last year to 113 this year, covered under the primary highway maintenance and preservation allocation. While maintaining high safety standards, Alberta Transportation and Utilities is at the same time working to reduce costs and administrative requirements for the industries, deregulating the motor carrier permitting system, and working with municipal governments to combine permitting systems for one-window access.

The integration of road safety programs from registries and Justice with Alberta Transportation and Utilities will allow for the consolidation of boards and legislation. The Driver Control Board and the Motor Transport Board will become a single entity. The Motor Vehicle Administration Act, the Motor Transport Act, the Highway Traffic Act, and the Off-highway Vehicle Act will become one piece of legislation: the traffic safety Act. That Act will have accompanying regulations.

I'm going to head this up by saying that we're going to continue to maintain our commitments. There are a great many partnerships out there with municipalities and with business, and we value those tremendously in the Department of Transportation and Utilities, both with the urban and rural municipalities. I've already mentioned the major urban projects scheduled for the coming season. In total we're increasing funding for urban municipalities through the Alberta cities transportation partnerships from \$58 million to \$63 million.

Alberta Transportation and Utilities will continue to honour the commitments it has made in regards to rural roads and utilities. We're maintaining our grants to rural municipalities at the '95-96 level, or \$35.7 million. The secondary highways budget will also be maintained at the '95-96 level of \$86.5 million. We'll continue our commitment to project-specific improvements for resource roads impacted by industrial traffic. Municipal and rural utility grants have been maintained at the previous level of \$24.2 million. The department is working with rural municipalities to streamline the administration of rural transportation partnership programs and improve local priority settings.

In conclusion of this portion, Mr. Chairman – and I trust you're going to allow me to continue here – the coming year will see Alberta Transportation and Utilities complete its transition. It has changed from a service-delivery organization to one that sets standards and priorities, ensures safety and compliance, and monitors private-sector delivery of services. With the exception of a few carryover projects the engineering design and construction supervision functions for the '96-97 construction season will be handled totally by the private sector. Highway maintenance activities have been contracted out for the Calgary, Vermilion, Grande Prairie, Peace River, and High Level districts. The Lethbridge district is next, with May being the target for the awarding of maintenance contracts in that area. Contracts for the rest of the province should be awarded by October.

8:20

These changes and others I've mentioned are resulting in significant administrative savings. Alberta Transportation and Utilities has become a smaller, leaner organization and in doing so has freed up more dollars to put towards the real priorities; that is, preserving our existing infrastructure, ensuring the safety of Albertans who use the infrastructure, and strategic reinvestment

for the future of this province. The department expects to see annual savings of over \$40 million in administrative expenditures within the next few years. These funds will help build, maintain, and preserve Canada's finest transportation infrastructure well into the next century.

Those are the comments that I have tonight on Transportation and Utilities directly.

Mr. Chairman, we will take questions on this, but now I would like to ask for your leave to go into the lottery fund and gaming issue, if possible.

THE CHAIRMAN: The question has been asked whether or not the minister can make comments with regard to the lottery fund estimates. Is the committee in agreement to hear the minister on this issue?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed?

Mr. Minister, I think you've received the committee's approval to speak on the lotteries issue. So would you continue while we can continue to debate the issue.

DR. WEST: How much time do I have?

THE CHAIRMAN: Well, you've sat down and been interrupted. Presumably 40 minutes; is that right?

DR. WEST: Excellent. Boy, this is getting better than I thought. I'm going to be able to give you the whole load tonight, not just half of one. Stay with me, hon. members.

THE CHAIRMAN: Mr. Minister, we'd better stick with at least this rule. You have four minutes and 49 seconds to go. Then as soon as someone has spoken, you're up again and you can finish your remarks, or perhaps you might like to hear a few questions and then give your full shot when you have another 20 minutes.

DR. WEST: I think that would be the good way to do it. We've done transportation.

THE CHAIRMAN: Does someone have a quick question of the minister on this? The hon. Member for Bonnyville.

MR. VASSEUR: Thank you, Mr. Chairman. I will leave my comments strictly to Transportation and Utilities, the area that the minister has addressed so far. I noticed that the minister talked about a leaner department. I was just wondering if I can get some explanation later on this evening or in writing further down the line. We've got a decrease – and I think he alluded to that in his opening remarks – from \$35 million down to about \$20 million under safety and technical services. I'm just wondering how we're going to achieve the safety issues that he's talking about, ensuring public safety as one of the goals that was set out in the business plan. I notice in his opening remarks that the minister was talking of enhancing public safety, and I'm just wondering how achievable that is going to be with the reductions of funds. Unless I don't read the estimates properly, I notice a substantial decrease in funds in that area.

The issue of safety comes up again under the performance measures in the three-year plans. Last fall the issue of a substantial percentage of occurrences of faulty inspections, for lack of

better terminology, when the large trucks were stopped – a study was done by Peat Marwick in '94-95. About a third of these incidents were requested out of service right upon inspection. In the performance measures outline – and it's not much different than those findings – the baseline figure that they've used here in '94-95 is 32 percent. So that's very close to the third that was reported in the Peat Marwick report.

The target for '96-97, which is the upcoming year, doesn't decrease in this instance, that figure of 32 percent. The target for '96-97 in the government documents here is 32 percent, and that's on page 303 of Agenda '96. You know, the best we can do a couple of years down the road is reduce that by 2 percent. There were some recommendations in the Peat Marwick report that it could be fixed without costing a whole bunch of money, and I think that it would be valuable for the department to take a serious look at some of those recommendations that were in the report and implement some of them. We understand that this figure here is considerably higher than in some other jurisdictions in the country, and I don't think that a 32 and 30 percent occurrence of ordering vehicles out of service upon inspection should be acceptable.

The other area that is also a target as far as reduction is commercial vehicle overloads, another safety issue on page 304. The baseline used for the year '94-95 was an 18 percent occurrence upon inspection, a vehicle either being overloaded or overlength. The target for '96-97 is for absolutely no improvement. Again, the same figure of 18 percent, and the best we can do two years down the road is a reduction of some 2 percent.

So I'm just wondering if we could get some comments from the minister on those issues, because he did allude in his comments that one of the priorities of the department was to ensure public safety, not necessarily at all costs but to give high priority to public safety.

If I can go to the estimates book itself, on pages 374 and 375, I just want to ask the minister some questions on some of the figures that he brought up earlier. We were talking about some \$79 million or \$80 million in savings in the department this year. He had used the figure of \$25 million in disaster recovery as a cost. At item 5 on page 374 there's a figure of \$61,900,000. I'm just wondering if that figure was offset by some revenue, the federal portion of this program. How did we get to the \$25 million?

The other thing. Last year's estimate was for about \$25 million, and I notice that we're only allocating \$12 million this year. Hopefully we are not going to require anything at all, but we never know that. The possibility of coming back with supplementary requisitions later on are there when it comes to disaster recovery. There's no question about that. I'm just wondering why the allowance made here is only half of what the allowance was last year.

On page 376, item 2.2.3, we have rehabilitation of primary highways. I think the minister alluded to that in his comments, and I'm just wondering if the \$10 million increment from the expenditures last year, from \$41.6 million to \$50 million, about \$8 million difference, is part of the upgrading of primary highways that you were talking about awhile ago, the reinvestment that you were talking about, or is there any specific project there that increases this figure to that level?

8:30

The other issue, and it's more of a question than anything else, is the issue of maintenance, not only maintenance but the construction of roads on the Indian reserves and the Métis settle-

ments. I know that the Métis settlements definitely are a provincial responsibility. I'm just wondering as far as the reserves are concerned: is that a transfer of federal money to the province, or is that a total provincial responsibility also? Just a question. The figures haven't jumped or moved around all that much from last year. I'm just wondering where the funding's come from on that particular project.

Item 2.4.2, the grants to towns and villages. I notice that the grants to rural municipalities – and this is strictly the partnership that the minister was talking about awhile ago – have increased a couple of million dollars, from \$33 million to \$35 million, yet the grants to towns and villages have taken a drastic turn the other way, from \$10 million to \$5.6 million. I'm sure that the minister will explain that drastic change in expenditures there. I don't quite understand why the towns and villages would have a 40 percent cut while the rural municipalities would suffer nothing.

The other issue here is on primary highways. The minister did explain awhile ago why they were spending more money in that area.

The rural gas grants. I know it's not a big amount of money, but the increase is from \$3.5 million to \$4.4 million. I know the program. I know the need of the program. I'm just wondering why the substantial increase in expenditure, if there's a special program or a special item: one project or something that has increased that area by some 25 percent.

In conclusion I just want to make some brief comments that are a little closer to home. In the report that was tabled today on the construction projects that are scheduled for the upcoming construction year, there are some 240 projects. I'm just wondering: when you take the cities of Grande Prairie and Fort McMurray and Edmonton and Calgary and Red Deer out of the 83 constituencies that we have, there are barely 40 constituencies left. When you come out with 240 projects, I'm just wondering why the Bonnyville constituency was left with three. I'm just wondering if it has anything to do with me sitting on this side of the House. I'm just wondering if the minister can answer that.

I do want to thank the minister, though, for one of the projects. It's a project that's been a priority in our area for quite some time. It's secondary highway 897, that serves the Frog Lake Indian reserve and Fishing Lake settlement. It certainly will improve the transportation service through that area to access Cold Lake, Grand Centre, Bonnyville, because they do still have some 35 to 40 kilometres of gravel road. The project here is slated for about half of that area, so I'm certain that the area is going to be pleased with that one.

The other issue that I want to bring up again – we brought it up last year and the year before – is secondary 881. That, Mr. Minister, is the highway straight north of St. Paul, north of Highway 28A, between Highway 28A to Highway 55. That road was redesignated back in the late '80s, detoured through a small hamlet for whatever reason. It's been a thorn in the side of many of the residents north of the river in the Rich Lake and the Wolf Lake-Iron River area that do use that secondary highway considerably to access the community of St. Paul. There have been some promises made in the last few years about realigning that highway where it was before. It's not only the right thing to do; it's by far the cheapest thing to do. If we want to save some money, we must reroute that highway where it was before, put it back on the priority list. If you check with all the communities in that area, not only the MD of Bonnyville, the county of St. Paul – that whole area – they will tell you the same thing as I'm telling you here tonight, that that secondary highway must be rerouted where

it was before in a straight line with no additional six miles of highway for nothing.

With these comments, I'll give it back to the minister. Thank you, Mr. Chairman.

THE CHAIRMAN: The hon. Minister of Transportation and Utilities on the questions. We haven't yet ruled on the other part.

DR. WEST: All right. Well, we'll go right on to the questions. I'm awfully glad this member brought up the issue of the constituencies versus, "I only got three projects." I've used the words, you know: we no longer want to be morally bankrupt in this business. That question indicates that you think that we should politically now distribute these roads and these funds regardless of priorities in the province. There are seven constituencies, if you want to look at it that way – and most of those seven are on this side of the House – that have no projects this year. I just sent the packages out to the individual members. I'm not going to name the constituencies sitting over there that have way more than three projects. Rocky Mountain House here has three, and one of them is a bridge.

The other part of it is that now we're releasing the total package based on the calculation of wear and tear on the roads, how much they need to be rehabilitated, new projects that are targeted to the number of people traveling on that road, or the amount of industry using that road, or priorities set by other municipalities. So no longer are we going around trying to allocate roads, as you would insinuate by that question, politically. I don't mind your making comments in support of roads in your areas, but I don't want ever to see again in this Assembly a number count by MLAs saying, you know, "How much did I get?" because then you start making bad mistakes and bad choices, and your determination on what should be paid is not done on proper engineering and consulting management.

Highway 881, that you talked about: I don't take issue with you at all on that road. Is that the one that makes the square jog and was renumbered? I think that consistent with my own philosophy – and I've talked with the Member for Lac La Biche-St. Paul also – it would indicate that that should be corrected, and we'll look to a time where we can study that and get it in. Obviously we both know the history of that, and you're bringing it forward in that historical context.

8:40

There are some other questions you brought forward, and if I missed some of your questions, we'll pick those up out of *Hansard* and have full answers written up and sent to you as it relates to each individual member that brings forth questions. I can cover a few of them.

You got on the safety issue. Remember, the cutbacks that you're looking at are total administration. Frontline safety deliveries were expanded. In my opening comments I said that we'd gone from 86 motor transport field officers to 113. With the new force of bringing over the registry people – some 50 from there – and their budget as well as putting together the Driver Control Board and the Motor Transport Board, we're going to spearhead a heavy concentration on the safety factor. You can concentrate on dollars if you like. I want to get the best bang for the buck for the taxpayer. I want results-oriented safety programs, not just driven by the amount of money you put into it. So if I can get \$14 million and get a good safety program in this province and we were spending \$20 million before, I think that we should target the best bang we can for the administrative

delivery of that program.

We are working on other areas too with industry. You'll say, "Can't you get bigger targets?" Our targets are done on averaging and a benchmark set from other jurisdictions plus our own. I think if you go across Canada, we stand up pretty well, but we can always do better. We're looking at programs such as partners in compliance, which works with industry to get them to those that have good track records and that want to join in partnerships with us for safe management practices. They would get what I call a bye in the system. They get special plates, and they will be able to get on with their jobs. They won't have as many audits, and they will pass through stations quickly, whereas for the ones that aren't and haven't a proven good track record, that'll give those 113 field officers a chance to concentrate on those areas that aren't in compliance or that aren't up to our safety standards.

I think in the long run – and I've studied everything from tractor trailer collisions to the rest of our problems in this province and the safety of vehicles on the roads from buses right through to tractor trailers to our other vehicles – mechanically we don't add up too badly. But I'll tell you: when we look at the accidents, it comes out that driver error, the education of our drivers in this province, is the biggest single key factor in accidents. In 70 percent of those involving trucks, which we always concentrate on because they leave a big crash when they happen, it isn't the trucks' problem. It's errors on somebody else's part.

I can remember an accident out in my area on a broad, clear stretch of highway. When somebody drives straight under a tandem going down the highway and kills them all, from a fixed point on the side of the road you can't blame that truck. It goes into the statistical elements of the number of deaths by collision with trucks. But in that one that I talked about, they killed three. In a year's time fatalities rose from 37 to 38, but in one accident with a truck you can have three or four or five of those to add to that statistic. If you look at the defects in those tractor trailers, only 2.6 percent of the truck tractors had a vehicle defect that contributed to the collision out of the thousands of loads and thousands of kilometres that are done every year. Out of the 395 killed last year, 42 were attributed to truck tractor trailer collisions. So I don't think statistically across Canada – and I'll go into some of the other provinces. I agree with you that our safety force has to be back to all drivers. How we're going to do that: we're putting together that program now, and they're starting to work on the practical side of it to see whether we can't get a better response from our drivers in this province.

The question you had about the amount of money spent on Métis colonies and Indian reserves: those are on provincial roads. Those aren't all the roads that are in those by any means, but that's just the money we spend provincially. So that part of it is explained by that.

The grants to the towns and villages: the reduction there is a windup of that program. That's a specific program that was targeted to end last year. We continued it forward one more year, and that's the wind-down of that type of grant for towns and villages.

Have you made a decision yet, Mr. Chairman? I'm going to stop there. There are some other questions you had as it relates to primary highways and overlengths and that, and I'll get you answers on those as I go through *Hansard*.

THE CHAIRMAN: The hon. Member for Lethbridge-West.

MR. DUNFORD: Thank you, Mr. Chairman.

MR. WICKMAN: A point of order.

**Point of Order
Speaking Order**

MR. WICKMAN: It should go here.

THE CHAIRMAN: Thank you, hon. Member for Edmonton-Rutherford. Normally in asking of questions and a minister responding to the question asked, we then let a member from the other side ask questions. The minister may again respond; then back to the other side. If we're going to save questions for a prolonged period of time, then you're quite right. We would go back and forth. The back and forth has not occurred because all of the responses of the minister have been to the questions as given by the hon. Member for Bonnyville. During the course of the evening we'll certainly recognize St. Albert in the next go-around, unless you want the minister to save all replies until a later time.

Lethbridge-West.

Debate Continued

MR. N. TAYLOR: It's just that he's so long-winded; that's all.

MR. DUNFORD: Thank you. In fact, I feel so joyous at having been recognized over the objections of my colleagues on the other side, who quite often call over here, "Why don't you folks enter into debate?" Finally when I make that attempt, I'm being personally harassed. But as I say, I'm so happy that I'd prefer to set that aside.

I'll tell you how happy I am. I want to be the first tonight to congratulate this minister for the tremendous job that he has done in the Department of Transportation and Utilities. We're here in estimates tonight, so we're dealing primarily, we know, with the numbers instead of getting into some of the pros of the business plan itself. But the hon. Minister of Transportation and Utilities has clearly adopted the philosophy that this government has been striving for. That's by coming to the table, placing all of his cards on the table, and then allowing each and every program to be looked at, sorted through, and determined if this is the sort of business that this government still wants to be in. Obviously, where that decision has been yes, then of course he has, again through the tremendous ability of his management.

At this time, too, I want to congratulate the staff, because we understand on this side of the House, of course, that a minister is not an island. He has to have supportive staff, and I would congratulate all of you. In any meetings that we have held, certainly your deputy and all of those that have attended have been very straightforward, haven't got defensive when some of us have tried to kick and jab and scream and whine. I want you to know that this member appreciates that very much.

Having congratulated the minister, I'm not going to get into one of these buts. I'm going to go instead to how much I want to thank this minister, because with this budget document and the estimates we're dealing with here tonight, you've actually made a dream come true. I moved to Lethbridge in 1974, and we were dealing at the time with railway relocation. As soon as that was finished, the number one priority in transportation for that area became a twinned highway between Lethbridge and Coumts. It has taken a number of years, but we have had just complete community support for this particular project. Over the years we can

count the various city councils. We can certainly talk about the Lethbridge Chamber of Commerce, who time after time has made representations this way. We arrived at a time in 1996 when we were all trying to forecast what might be in the budget document. We even had a situation where both of the MLAs representing Lethbridge, even though we're on either side of the House, were in complete agreement with the plan we saw, which would be the completion of the export highway. I can't tell you how pleased I was when I read a report from the *Lethbridge Herald* that my esteemed colleague from Lethbridge-East was in complete support of this government initiative.

8:50

I want to move in, though, to the estimates themselves and perhaps make some comments, but in there, Mr. Minister, there will be a question. The first one is program 3, under the national infrastructure program. I noted with some interest yesterday in reading the Speech from the Throne in preparation to doing an interview with a local newspaper that the federal government seemed to be making it very clear that they were getting out of the business of being in provincial transportation systems. Now, I'm not sure I read that correctly, but that was the inference that I was making. I guess I will have to admit now that this is going to be a rhetorical question. How does a central authority in Ottawa justify its taxing of Alberta citizens through the various methods that it has in taxing transportation? How is it that it could take millions and millions of dollars out of Alberta and then just arbitrarily – it seems to me arbitrarily – simply say that it is no longer going to participate in provincial transportation systems?

Now, my interpretation of what has happened is that they are saying no to some sort of national highway system. I think it's a mistake that federal Liberals are making, but we understand, in time after time after time trying to deal with these jokers down there, that it gets extremely difficult to have them understand that there just might be a part of the country west of Ontario – well, west of Toronto maybe, but certainly west of the Ontario border. Now, I'm not sure what you as a minister can do now, given the words that I read in that Speech from the Throne, but certainly I want to say on behalf of all of our colleagues in caucus that you have our full support in whatever strategy you determine would be wise in trying to deal with these people.

The question that comes out of that somewhat frustrated little diatribe of mine is the fact that I notice now a gross expense of \$168,000. I have no idea, given that their Speech from the Throne was after our budget and their budget is yet to come, if we need any revision to this number. That would be my question: whether you have anticipated properly what the feds were going to once again do to us or whether we'll have to have some sort of revision from that point.

I was pleased that the Member for Bonnyville would move into disaster recovery, because I think it's obvious that he and I probably share some concerns in the disaster recovery area. We seem to have a province here now where southwest and northeast seem to be joined, in recent memory anyway, in some tremendous disasters. Again in looking at the numbers and their variance from '94-95 through '95-96 and now into the estimate for '96-97, I would appreciate some guidance, perhaps, or some explanation as to how one does come up with a number like \$12,769,000. If it's a science, it might be what I would refer to as a SWAG. I'm not sure everybody here in the House is familiar with that term, but at the possible sanction of the *Hansard* folks, I would tell you that a SWAG is a scientific wild-assed guess, but I'm sure there's more to it than that.

The Chairman is looking at me with a quizzical look. Sir, I reverted to a longstanding methodology of mine, and that is that it will be easier to get forgiveness than permission. I'm now asking for your forgiveness, sir. I'll withdraw the SWAG from the esteemed debate that I'm involved in here tonight. [interjections] Colleagues of mine are now saying: why don't I do the honourable thing and resign? [interjections] I was thinking of my colleagues over there, not over here.

This recent happenstance here reminds me of an event I was at last Thursday where I had the esteemed honour of following the hon. Mr. Mar across the stage and down a ramp. However, I was so excited to be in his wake that I tried to catch him and only learned later that 46 percent of the audience hoped that I would catch him and 54 percent of the audience were hoping that I'd make a complete swan dive on live television. So I guess I ought to get the message that I should remain my humble self.

MR. N. TAYLOR: You two side by side must've covered the whole stage.

MR. DUNFORD: As a matter of fact, we did. Again for the members on this side who might not have heard that, the hon. Member for Redwater indicated that hon. Minister Mar and myself with our fantastic physiques might have covered the whole stage. Actually, it wasn't really the physique at all, sir; it was just our magnanimous and magnetic personalities. There was such a glow around us that it seemed to light up not only the whole stage but the whole stadium that we were in.

MR. EVANS: That's called lead poisoning.

MR. DUNFORD: Is that what it's called?

All right. I've hit my two points, Mr. Chairman. Thank you for your indulgence and your guidance. I'll take my place.

THE CHAIRMAN: Thank you. [interjections] Order.

AN HON. MEMBER: What you can't see won't hurt you, Don.

THE CHAIRMAN: But I can hear it, is the problem.

The Minister of Transportation and Utilities in reply to the questions asked by Lethbridge-West.

9:00

DR. WEST: Yes. We'll continue this. I'll answer a bit of what the individual said. I appreciate his comment about the extension of the north-south trade corridor and the beginning of it going to Coutts from Lethbridge. I think that if you'll study the next few years, it's an exciting time in Alberta, from Grande Prairie right through to the Coutts border, creating a highway that probably 85 percent of Albertans access on a monthly basis. There's going to be a lot of activity.

One thing you brought up, and I think what you were trying to get to was two things. You brought up the infrastructure program and said that if the federal government brought out a second national infrastructure program, how would we fund it? Because it doesn't look like this kind of money would be there. I said when I was in a meeting with ministers one time that there was no new money. All we did was relocate existing dollars and match them to dollars coming in from the federal government. If they were to bring out a program, then our projects, of course, in the municipalities could match, but we would have to move dollars because there are no new dollars. The budgets are set up for the

three years hence coming, and we just can't continually come in and get supplemental estimates or that sort of thing to meet a national infrastructure program. So if they come forward with dollars, and there's a chance that there are a few dollars from the feds, whether it be from the Crow benefit that might come forward or whether they bring in another program – it is still not decided where some of that infrastructure money is going – we would have to look at our investment on the trade corridors and that and work with them on it.

One of the amazing things is that the federal government collects \$5 billion worth of gasoline tax and they spend \$200 million on road-related projects in this country. It's incensed – I can say incensed – all the provinces because it's strictly a tax grab out of our provinces without returning it to infrastructure. It has nothing to do with who's in power in Ottawa. This has been traditional for the last 10 years. Then they're talking now of putting another gasoline tax on to raise \$600 million or a billion dollars with no mention whatsoever of putting it back into the infrastructure. The western transportation ministers are going to meet with Ottawa to tell them that they've got to do something to help the provinces with their infrastructure in a national highway program.

I think you were getting around to that. It's unconscionable, and that's why this budget has increases in rehabilitation and new construction. It's unconscionable for a country the size of Canada, with some of the best infrastructure in the world, to let it go because you haven't got the intestinal fortitude to address social programs or address the total structure of government as it relates to Ottawa and loosen up the dollars. They're taking gasoline tax dollars to fund antiquated social programs or duplication and overlap in areas that are provincial jurisdiction. How we ever let the Constitution and the intent of the British North America Act get so far out of control in this country I have no idea. You say: how are we going to get Ottawa to do it? It's going to take a tremendous amount of effort by all the provinces to put the federal government back in the cage where it belongs. I don't know how easy that'll be. I think some of us will have to leave this House and see if we can't get to that one down there and start cleaning house. I'd even take a good Liberal with me if his intentions were honourable. I wouldn't want to insinuate.

All right. The disaster program. The question was: how did you come up with \$12.7 million? I'm not going to answer that because I don't think I can. You've got to remember that in our original estimates we thought the disaster in southern Alberta would cost \$61 million. We thought in around that area. Now that the dust has settled, it's cost, I think, around \$42 million. If you remember last year, we had to bring in supplemental estimates here. We got some money from Public Works, Supply and Services, but we had to bring in supplemental estimates I think around \$11 million. So all of this money was pushed and shoved, and of course we booked some of it, because we're going to get 90 percent of it back from the federal government. So to look at any one of these figures, just keep this in mind: the disaster in southern Alberta cost around \$42 million, and we've had to move that through several budgets, like last year and this year. The money has come from several sources, including a supplementary estimate in this House last year for I think it was \$11,425,000.

I'll stop there. I'm sure there are some other questions coming. I see the Member for St. Albert.

MR. BRACKO: First of all, this is a one-year plan. Are you planning to extend it to a five-year plan, like you have done with

the lodges or instigated with lodge program, so everyone knows exactly where they are and what year their highway work will be done? I think that would be an excellent process to go forward with.

Secondly, I would like to make some comments on behalf of the Member for Spruce Grove-Sturgeon-St. Albert. The first one is: highway 794 from 16X to Westlock is still a dangerous highway. Just last week a semitrailer rolled over at the curve near Rivière Qui Barre. Some of the widening that's taken place close to Westlock has been excellent. It's greatly appreciated by all who use the road. But will there be a commitment from the government to widen the road right from Westlock to Alcomdale to Rivière Qui Barre to Villeneuve, especially the area where there's high traffic, with the gravel pits there that go night and day? Highway 794 needs to be widened all the way from Westlock to 16X. It has no shoulder on it, which is dangerous if you have to change a tire and so on. Just a question, then, if there's a time line when this would happen.

Another one. On the overpass going off 16X and on to Century Road into Spruce Grove, apparently you can't see until you're well into the road if other vehicles are coming. Could you check into that and see what changes can take place to improve that situation?

The third concern is the use of Highway 16 through Spruce Grove. The mayor has written the minister on this issue. The usage of Highway 16 is at a very high rate and in need of repair, and they are asking for assistance from the minister in this project.

I'd just like to comment on Highway 16 as it goes through Spruce Grove. To protect the integrity of the asphalt surface on Highway 16 as well as the roadway structure itself, the construction of an asphalt surface overlay as a minimum needs to be pursued. A study conducted in the early 1990s assessing the condition of the asphalt surface for a short section of Highway 16 projected that the total cost of the asphalt overlay on Highway 16 within the corporate boundaries would be in the order of at least \$2 million. The cost of such a project, even if undertaken on a stage basis and utilizing the AT and U basic capital grants under this present funding formula, is simply not affordable by the city. Furthermore, the undertaking of such a project or any stage thereof would not financially allow the city to work on the other roads in the city.

Also, it is significant to note that a couple years ago the city of Spruce Grove in collaboration with AT and U undertook a function planning study for Highway 16 through the city. The primary objective of the study was to evaluate and define the future function of Highway 16: expressway versus a major arterial. The study basically concluded that Highway 16X be retained as a freeway standard with access limited via interchanges only at a standard fully supported by the city. Highway 16 can function, as well, as a major arterial road provided that direct access to the highway is limited, controlled, and appropriately spaced. This is the concern from the city of Spruce Grove.

9:10

Fourthly, Highway 37. It's mentioned here: secondary 794, Highway 2. Whereabouts is that, I guess the location? Where will it be and will the road be widened? If I could get more details on exactly where that is: 794 off 37, on page 7, 11 kilometres.

Again, I was asked to bring this to yourself and your department: the Red Coat Trail in southeast Alberta. The constituents have asked me to present this to you. The concern is widening

the Red Coat Trail. They feel that they're neglected by the government. There are a few people there that occupy a large space and 200 to 250 acres to feed a cow. So they feel that because of the small population they may not get the same fairness as other parts of the province. That was their concern, not mine. I know you're very fair, Mr. Minister. They work very hard. They're great managers of their resources, ranchers and farmers, the heart and soul of Alberta, true Grits. They feel that that road is very narrow, very dangerous. It's impossible to change a flat tire if they get one. Also of concern is the winter blizzards. With it being so narrow, there's no room to manoeuvre if a big truck passes them. They are covered with a blizzard of snow. Of course, with the blowing winds through that area there can be whiteouts some of the time, and they're concerned that they'd have nowhere to go if an oncoming vehicle approached or if someone passed them in a big truck. They're also concerned with additional tandem trucks carrying grain to market due to the grain terminals, the larger ones being developed in the area. They would like to see the Red Coat Trail widened or a time frame when you would anticipate that happening.

Moving from the southeast end of the province to the northwest, in Zama City, 150 kilometres north and west of High Level, constituents again have asked me to bring this to your attention. They feel like they're forgotten. They're very isolated in this part of the country, a population of 200, but are a very valuable community. Resources add greatly to the revenues of our province, the oil and gas. There's no public road into their community. It's a private road, and there's a sign up: no unauthorized vehicles allowed. So friends, relatives really feel that this is not appropriate. The law of the road is - it's a private road of one of the oil companies - that trucks rule, and if a truck comes, you pull over as fast as you can and stop because the trucks won't move out of your way. The second rule up there is: folks wait. So they're asking for a safe public road up there in the northern part of the province, and they asked me to bring this to your attention. A very beautiful community but feeling very isolated, and they would ask to have a time line.

At the AAMDC convention the municipal politicians asked the minister of transportation to allow municipalities to bid on highway maintenance and snow removal. The minister refused this request, stating that the provincial government requires one consistent policy for all roadwork rather than a mishmash of private and public services. In free enterprise it's through competition that the taxpayers get the most value for the dollar, and they want to know why they are not able to compete.

There's the county of Barrhead. Other municipalities would like to. They have the equipment; they have the expertise. All they're asking for is a level playing field, not that they would have an advantage over the private companies or vice versa. It would all be on a level playing field. The minister has admitted himself that municipalities are leaders in delivering efficient services.

Other municipalities like St. Albert and Edmonton have already demonstrated the ability to manage a mixture of public- and private-sector delivery which is efficient and effective. I guess this is why this is their concern. They would like the rationale and I guess the research that shows, if you are going to say that it's only going to be the private sector, that it is more cost efficient. Again in St. Albert we have both. So one does not get the advantage, or if two private companies competed, the rates could go up. This way both become efficient and the competition keeps it at the best possible price.

Also I talked to some of the MDs in the north. Again they had mentioned that if it's a level playing field, the municipality can provide the services cheaper than the private sector. They were saying that for grading up in the MDs in the north – this is on a level playing field – the municipalities can do it for \$55 an hour; the private sector is asking \$72 and getting it from the oil companies and that. So we'd like to have the facts of the research from your department to show that this is the case, if not here, in other areas of the country, an explanation, to have the outcome monitored to show that this is what should take place with the private sector only, if that's what you selected and they'd want to compete.

Those are my questions for now.

THE CHAIRMAN: Before I recognize the hon. minister, we have one more matter to clear up. We've been avoiding the issue of the lotteries estimates this evening, other than we gave unanimous consent as a committee to hear the minister speak, but we've held the minister off. There is one additional piece that must be in place, and that is that there would appear little purpose in hearing the minister unless hon. members were willing to give themselves unanimous consent to discuss the lottery fund estimates.

So the question will be: do we have unanimous consent for members to discuss the lottery fund estimates this evening? All those in favour, say aye.

HON. MEMBERS: Aye.

THE CHAIRMAN: Opposed? Carried unanimously.

Now, Mr. Minister, you may answer your questions as you see fit and make your statement on lottery fund estimates, and then we'll go back to the questions.

DR. WEST: Well, I'll answer a few of the questions brought up. There were some good comments by the Member for St. Albert. We have a 20-year plan that we worked on for the province. We worked from that to a five-year plan where we co-ordinate and then we go to these yearly productions that you see here. I think that in the future you're right: the industry and all municipalities would like to see a longer term plan so they can, you know, put their budgets and their priorities together. But we have three-year business plans, so I think that rather than go to five-year layouts, probably a three-year layout would be adequate enough to give some comfort not only to the private sector that builds our roads but to industries such as consulting engineers and to municipalities to plan. So I think you're on the right track in that comment.

You talked about highway 794, the widening of it. We're working with partnerships with the municipalities there, and we'll be proceeding to get under way with some work on that road. You mentioned Highway 16X and Century Road. We're developing a medium-term plan for that, for interchanges between 16, 16X, Highway 43, and Highway 16 and 21. We're working on that whole area. Eventually we're going to come into line. Part of this north-south trade corridor involves another four or five interchanges on that route, and we'll hopefully bring those in line in the next few years.

9:20

Through Spruce Grove: yes, it's a concern. They get a \$25 per capita grant, and that's their responsibility, that road. You're saying they feel that that's too expensive, that they can't do it with that. They have to address their priorities and direct the types of moneys to those projects if that's what they think is needed. That

has come down. You're aware that we used to give as high as \$75 per capita, and that's been worked down over the last few years.

You had asked about Highway 37. You go Highway 2 north of St. Albert, and you go west to the four-way stop. That's the Highway 37 project.

The widening of the Red Coat Trail. Of course, this area you talk about is down in and around the county of Forty Mile, and there has been representation from this side of the House also on the Red Coat Trail. Again the population density – I mean, we target 200 vehicles per day as our benchmark as to whether we do anything. You can well imagine that in the county of Forty Mile to get 200 cars per day on some of those roads, you'd have to do like a few of the members used to do in the north: when transportation was doing the count, they'd phone everybody and tell them to go back and forth for groceries 10 times that day so that they could get the count up on the highway. We watch very closely now on that count to make sure that . . . [interjection] Well, we never did it in our area, of course.

MR. N. TAYLOR: Great big funerals would do it.

DR. WEST: Yeah. You have to watch the day. Some people say, "Well, your counter was asleep in the truck," but that's not fair either.

You bought up the Zama Lake issue. We're addressing that right now. We're working with them. We've sent the letter back to them acknowledging a go-ahead for that road. It's cost shared 75-25. Of course, there are individuals who'd like us to pay 100 percent of it, but again that's not what we do across this province, so they have to address their priorities like we do in the rest.

[Mr. Clegg in the Chair]

I just sent a letter the other day and indicated that we're willing to proceed this year with the first phase if they're willing to come in on the second year. So your representation is the same as we've had from many, and we acknowledge that that is a bad road and needs to be upgraded for those people, and we're going to do it.

I'd like to go into lotteries now that we've been given unanimous consent. Mr. Chairman, I will now proceed with lotteries.

THE DEPUTY CHAIRMAN: You have unanimous consent from the House, yes.

DR. WEST: All right; we'll start then.

THE DEPUTY CHAIRMAN: You can do anything with the unanimous consent.

MRS. ABDURAHMAN: Anything?

THE DEPUTY CHAIRMAN: If you have unanimous consent.

DR. WEST: First of all, I'm going to start with the lottery fund.

MR. N. TAYLOR: Point of order.

Point of Order Clarification

MR. N. TAYLOR: I just want to make sure. This seems to be progressing along a line I'm not sure I'm entirely happy with. It's all right to be discussing the lotteries, but some of us will still

want to bring up transportation questions. We're not excluding that.

THE DEPUTY CHAIRMAN: Certainly, hon. member. That's exactly right.

MR. N. TAYLOR: Okay.

THE DEPUTY CHAIRMAN: Okay. Hon. minister, if you'd finish your remarks, please.

Debate Continued

DR. WEST: I'm going to start with a discussion about the lottery fund. As will be noted later in my discussions here, we take in certain sums of money in gaming in the province, and then we deliver \$123,300,000 for direct expenditures back to what we call the lottery fund. I'm going to direct the initial part of my discussion to that. Then I'll get into the nuts and bolts of the new accounting system and where those dollars go and the sums of those dollars.

As you know, the current allocation and disbursement of lottery proceeds will continue for the '96-97 fiscal year. The formation of one umbrella foundation and community lottery boards to distribute lottery funding at a local level will be developed over the next year for implementation in '97 and '98. The \$123.3 million lottery fund revenue allocated in '96-97 will be provided to community-based organizations. This is a \$1.7 million, or 1.3 percent, reduction from the '95-96 comparable forecast of \$125.1 million and a reduction of \$13.7 million, or 9 percent, from the \$137 million provided in '93-94.

The 1996-97 expenditures are directed to nine separate program areas. These lottery fund grant programs are part of the regular budget process again this year and subject to full review by this Legislature. Commitments made to the lottery funded foundations and community organizations are made under a three-year lottery licence, which is effective from April 1, 1994, to March 31, 1997. The nine programs are: program 1, agriculture initiatives. Expenditures are set at \$22.5 million. This allocation remains unchanged from last year.

Program 2. The cultural initiatives show a decrease of \$13.7 million over '95-96 comparable estimates. All commitments to the Edmonton concert hall have now been fulfilled, which accounts for a \$12 million reduction in funding for cultural activities. The funding allocation to the Alberta Historical Resources Foundation has been reduced by \$637,000, or 10 percent, as a result of reduced operating support to the Glenbow-Alberta Institute. The funding allocation to Alberta Multiculturalism Commission was also reduced by \$1,063,000, 50 percent, as a result of the change in the role and mandate of this commission. Funding for the Alberta Foundation for the Arts remains at the '95-96 levels. I'll repeat that because that's a sensitive issue for Liberals: funding for the Alberta Foundation for the Arts remains the same.

Program 3. Program spending for the . . . [interjection] Boy, the echo in here tonight.

Program spending for the Alberta Sport, Recreation, Parks and Wildlife Foundation remains constant. A new funding allocation of \$1,359,000 is earmarked for special projects. This allocation indicates funding for corporate sponsorship where five-year agreements are in place, such as Alpine Canada, which got \$200,000 a year when they moved their corporate offices to Alberta, and Hockey Canada gets \$100,000 a year for their

program here in Alberta. These allocations are now provided as a grant rather than marketing or a sponsorship agreement. In addition, contingency funding has been allocated for initiatives, such as the world fair 2005 and other special events that may come up, on a request basis.

Program 4. Tourism initiatives funding was fulfilled in the 1994-95 fiscal year. This included funding for Team Tourism and discontinued initiatives such as the community tourism action program, or CTAP, and the municipal anniversary grant program.

Program 5. Community facility enhancement: this is the third. This starts on April 1. Program expenditures are estimated at \$35 million for '96-97. This program commences on April 1, 1996, and runs for three years. The '96-97 estimate is based on projected take-up of the program early in the program, as in others. It's usually roughly 25,000 a year, but the first year has a greater uptake when it swings in.

MR. N. TAYLOR: Because there's an election.

DR. WEST: You're here now. You should worry about something like that, but of course I understand that you're looking for bigger things.

THE DEPUTY CHAIRMAN: Continue on, hon. member. We'll worry about the election when it comes.

DR. WEST: Program 6. Educational initiatives represent a onetime payment in '93-94 and '94-95, with equitable funding for education. A further funding allocation is not required this year. If you remember, we were putting moneys from lotteries into education, and a lot of Albertans didn't know that.

Program 7. Health and wellness initiatives show a slight increase over the '95-96 comparable estimates. Funding for the Wild Rose Foundation remains at \$6.6 million. To assist in providing quality and cost-effective health service to Albertans, lottery funding for advanced medical equipment is maintained at the '95-96 level, or \$7,266,000. This year \$1,871,000 will be allocated to provide services for problem gamblers as part of a three-year commitment to AADAC, as the lead agency in providing public and referral information for problem gambling. This increase of \$761,000 reflects government priority for problem gambling. This increased funding allocation is reflective of demonstrated need outlined in AADAC's business plan. An additional \$960,000 has been allocated under health and wellness initiatives as contingency funding for new projects.

9:30

Program 8. Science and environmental initiatives funding has been reduced by \$200,000. The Alberta Environmental Research Trust has been disbanded. Funding for the Science Alberta Foundation remains at \$750,000.

Program 9. New initiatives will allow for contingency funding during the lottery fund transition year towards one umbrella foundation and community lottery boards. The revenue from ticket and video lottery operations flowing into the lottery fund continues to increase. Lottery fund revenue for '96-97 is estimated at \$594.5 million: \$592.5 million from ticket and video lottery operations plus \$2 million from lottery fund interest and grant recoveries. This represents a \$16.9 million increase over the \$577.6 million comparable forecast for last year.

In '96-97 \$456.2 million will be transferred from the lottery fund to the general revenue fund. The balance in the lottery fund in excess of \$35 million is transferred to the general revenue fund

on a monthly basis. The \$35 million retained is to ensure sufficient cash flow to meet lottery fund commitments.

Transfers from the lottery fund to the general revenue fund totaled \$225 million in '91-92, \$25 million in '92-93, \$113 million in '93-94, \$492 million in '94-95, and an estimated \$385 million in '95-96. So you can see that it's been progressively increasing due mainly in part to VLTs.

To recap. Lottery fund expenditures totaling \$123.3 million: those are the ones I went through in those nine elements. The balance: \$456.2 million will be transferred to the general revenue fund. So if you add those two together – under our new consolidated reporting we take that money out first, and then we deliver the rest back to the general revenue fund, and then inside the expenses and operations are deducted too. The operation of Alberta Lotteries is now funded from the general revenue fund. As a result, the operation of Alberta Lotteries is fully accountable to this Legislature, and the revenue to the lottery fund is no longer reduced by these operational costs. So you can, hopefully, understand that in this new wonderful accounting world that we're in. They tell me this is the cleanest thing you'll ever see.

The Alberta Gaming and Liquor Commission review as outlined on page 402 – not review; I'm getting a little tired. Revenues, I mean. As outlined on page 402, revenues from ticket and video lotteries, gross profit on liquor sales, and gaming and liquor licence fees totaled just over a billion dollars. This is a slight increase over '95-96.

The operating grant for the Alberta Gaming and Liquor Commission for '96-97 is estimated at \$75 million, a decrease of \$7.8 million over the previous year. I can repeat that: that's the operating grant for both. Now we've amalgamated; remember? We've taken the gaming control branch, the lotteries, the Alberta Liquor Control Board, the old one, and the VLTs, rolled them all together, and the operating expense for that is estimated at \$75.6 million, and it's a decrease. So we're making efficiencies as we move along.

As a commercial enterprise on the ministry's consolidated income statement revenue is shown as net profit from operations and no expense is shown. I'll repeat that: as a commercial enterprise on the ministry's consolidated income statement revenue is shown as net profit. This man here, this professor, he understands, but nobody else seems to.

Now let's look at the commission's expenses. In 1996-97, \$592 million will be transferred to the lottery fund, an increase of \$16.9 million over the '95 estimates. Gaming and liquor administration expense is estimated at \$16.1 million, an increase of \$621,000 over the previous year. This expense now includes the gaming control branch, the Alberta Gaming Commission, and the lotteries and gaming program supports. So we brought these in from other areas that were shown previously under different budgets.

Alberta's share of the Western Canada Lottery Corporation's expenses in '96-97 is estimated at \$27.4 million. Expenses for ticket and video lottery operations through Alberta Lotteries are estimated at \$30 million, which is comparable to the '95-96 forecast. The pari-mutuel tax rebates are estimated at \$2 million, which is also comparable to last year's forecast. Depending on the legislative changes to form the Alberta racing corporation, the pari-mutuel tax may be replaced with a licensing system.

The tobacco tax investigative function was transferred from Alberta Treasury last summer. We expect to amalgamate this function with the Alberta Gaming and Liquor Commission next year. What that means is that we'll have one inspector that moves

in on all offences. They'll be cross-trained. They'll be looking for infractions on cigarettes and the taxing base there. They'll be looking for VLT infractions. They'll be looking at gaming infractions. They'll be looking at liquor infractions. They'll be all-inclusive, and they're finding out that this is a very efficient manner. In fact, we have probably found more in illegal cigarettes since we have amalgamated these functions than they were doing before in Treasury. That's not to say that Treasury wasn't doing a good job; they just needed our eyes.

Streamlining and restructuring. Consistent with the philosophy and the business plans of government the operations of the Alberta Gaming and Liquor Commission including the operations of Alberta Lotteries will continue to be examined to identify efficiencies and to streamline and restructure operations. Options for outsourcing will be undertaken where it's financially beneficial to do so. We will continue to streamline, and if the private sector can do the job efficiently, effectively, then we'll get that. If they can't – and we've already demonstrated it internally – we have to look at other alternatives. We were going out on one outsourcing, and we found that they couldn't do it cheaper. The streamlining of this organization has got down to where the administrative costs are pretty streamlined, so we pulled that one back off. We may down the road find a way to do it working with some other provinces on that. We don't just privatize for the sake of the philosophy. We privatize for a lot of other things: service and the bottom line. So you don't just willy-nilly go into outsourcing because it sounds good.

Operational changes. The reduction in operating expenses and related manpower is a result of the consolidation of licensing and regulatory functions for gaming and liquor and the amalgamation of other administrative functions including human resources, finance systems, and administration. Further savings have been achieved through the consolidation of offices of the former Alberta Lotteries, Alberta lotteries and gaming, program support, the gaming control branch, Alberta gaming commission, and the Alberta Liquor Control Board, now operating out of government-owned facilities rather than renting and paying for facilities.

We found that the large warehouse and office tower at St. Albert is just not marketable even as a warehouse to the private sector to distribute the liquor products. We would end up losing too much on the sale of that building. We had put it out in the context of a lease to purchase or under an agreement. Now we're using that building and have consolidated these operations out there. So there again, you just don't sell something or privatize if it can't make sense and we can find alternative uses. There's a building we've owned and paid for, so we might as well use it for the time being. Maybe someday down the road we'll find somebody that can use it when we have a lot more space around, but now we are back in our government-owned facility.

MR. N. TAYLOR: You're learning; you're learning.

DR. WEST: Thank you.

I'll accept some questions. I might take a little break for a second here, and then I'll be back, Mr. Chairman. I'm sure we have a long evening ahead of us, so I'll now look for further questions and comments.

THE DEPUTY CHAIRMAN: Thank you, hon. minister.

The hon. Member for Edmonton-Rutherford.

9:40

MR. WICKMAN: Thank you, Mr. Chairman. I want to make a

few comments on transportation, but I'm probably going to direct my comments more to the minister, as he heads off in the other direction, dealing with lotteries and gambling and such.

It's amazing how things have changed. I can recall a number of years ago while I was a member of Edmonton city council, prior to the time of the Member for Edmonton-Glengarry being mayor. I can recall when Peter Lougheed was Premier and there was an announcement that the partnership program or the grants from the provincial government were going to be \$250 million for Edmonton over a five-year period. The response of the mayor of the day was: "\$250 million over five years? We should be getting \$250 million a year." Now we see a \$60 million announcement made to the city of Edmonton, which is great – I acknowledge that – but it's suddenly joy to the world. So it just shows the change in mentality in terms of a greater appreciation for the taxpayer dollar.

From that point of view the minister does certainly head in the right direction. I think by and large the message has come through loud and clear that many of those things we dreamt about a few years ago like the outer ring road system completely around the city of Edmonton similar to Calgary – now we're happy just to get portions of the inner ring road system done, as that \$60 million announcement will help advance portions of that. We dreamt back then of the LRT expanding to the south side, to the west side, to the north side, and of course that has ground to a halt not only in Edmonton but also the C-Train operation in Calgary simply because the government and the municipalities are not prepared to spend the dollars as they were being spent before.

The partnership program with the municipalities certainly is welcomed. There is always that question as to why the proportion that is granted the rural municipalities as compared to the urban is so lopsided. Realistically, when one looks at the provincial government's involvement in maintaining roadways and highways and such, it has to be recognized that it has to be much more than just a municipal concern. The city of Edmonton, for example, plays host to traffic from all parts of the province, and we can't simply say that it's sufficient for the city of Edmonton taxpayer to pay all those expenses. So the partnership program certainly can be justified.

The minister touched on safety. Safety is a concern. We've seen the privatization of the inspectors on the roadway, and there is a concern with the transport trucks. The fines are quite minimal. There is a concern as to whether those are all kept up to par in terms of the features that lead to safety. We've seen what's happened in other parts of Canada where there have been major accidents involving injuries and deaths as a result of trucks being driven with faulty brakes, faulty equipment, whatever the case may be.

I'm going to touch from here, Mr. Chairman, on the area that's of the greatest interest to me from the point of view of the area that I cover as critic, and that of course involves the racing and the gaming and liquor commissions, the lotteries, the VLTs, and so on. Program 6, that refers to the racing and gaming and liquor commissions, refers specifically to the Alberta Racing Commission: \$6.8 million being given by the provincial government to the proposed, new, nonprofit corporation as proposed under Bill 5, which is in the committee stage. Six point eight million. That's down from \$7.6 million. It's down less than a million dollars from the previous year. I'm not sure of the rationale, and maybe the minister can explain it when he gets the opportunity. I'm not sure of the rationale as to why this nonprofit corporation will continue to be supported to virtually the same degree as it is at the

present time, before that Bill is finalized in this House. I'm not saying that the Racing Commission doesn't need it or that the horse racing corporation won't require it or that it's not needed for the horse racing industry, but it's sort of a conflict. On the one hand, the minister is privatizing, and in most cases or in all cases when he privatizes, it's normally to save taxpayers' dollars. This certainly is not saving taxpayers very many dollars. So it's a contradiction to a certain degree.

There's another area that I want to touch on, and that's the question of bingo. I've raised this within our caucus before, and somewhere along the line it was slated to come up for question period. That's bingo from the aspect of the so-called family day or the encouragement of children to play, to go to bingo as a family affair. A bingo caller, one of the volunteers at a bingo, when she called me on this and explained that children eight years old are playing bingo with their parents and that when they win a \$200 jackpot, when they hit bingo and that money is delivered to them sitting at the table, these children are hooked for life on bingo. Suddenly it's opened their eyes to what they see as an easy way of making money. It's sort of like the McDonald's hamburger philosophy in terms of marketing: brainwash them while they're young, and they're going to ride with you for their adult life as well. I think, quite frankly, that enticing children to start playing bingo when they're eight years of age is simply to hook them for the later years in life when they have their own disposable income.

There was an article in the *Journal* on that very topic this morning, and now we won't be asking that question in all likelihood during question period because we do not as a caucus like to follow the news media when it comes to developing questions for question period. We tend to take initiative and do thorough research so that we come up with the angles ourselves and have the media follow us rather than us follow the media. You don't see very often members of the Liberal caucus waving newspaper articles like you might see on the other side there. We do that for a deliberate reason.

Mr. Chairman, I'd like the minister to explain how with bingo it's rationalized that it's acceptable for children to play bingo, yet you have to be – what is it? – 14 years of age or I think 16 years of age to play scratch and win or buy 6/49 tickets. I think that at the racetrack you have to be 14 or 16 to buy a pari-mutuel ticket. Why with bingo is it considered that there's no harm done when it's really the same concept? Bingo is gambling in the same sense that betting on the races is gambling.

Another area that I get a surprising number of calls on from constituents and people that just stop me to chat is about the payouts involving Sports Select and the other one – I'm not sure what it's called, but it's a similar concept to Sports Select; it involves the hockey teams, basketball teams, baseball teams, and such – as to why the payouts have been decreased to the degree they have in terms of the net revenues that are taken in. I'd like the minister to point out specifically what formula is used in terms of what payout, what percentage of the dollars that are bet in these Sports Select type games are returned to those players that are playing those games. There was that change, a significant change, in terms of the multiple effect related to the payout. In other words, three games that would pay odds of 6 to 1, whatever, in the past have been reduced to odds of 4 to 1.

The minister in the budgeting for all intents and purposes refers to this whole area as racing, gaming, and liquor. Well, gaming can really be replaced by one word, and that's gambling. Gambling, or gaming, is spreading at a very, very fast pace. It

has, as we've pointed out in the past, created many, many problems. It's ironic. This afternoon when I was in the cafeteria having a bite to eat, the minister came along and sat down for a while, and we got chatting. One of the people that were sitting at the same table with us indicated to me just before the minister sat down that she works at a lounge where there are four machines. She gave me examples of people that come in. One evening one fellow came in, dropped \$2,700, his paycheque. He had just come off some long-haul trucking route, had \$2,700. He blew it that one night on one machine.

Another lady comes in there virtually every night, always playing the same machine, saying that the machine talks to her more than her husband does at home. Obviously there are problems at home there, but those problems could be as a result of her spending every night or every second night playing that same machine. There are countless stories like that. We've gone through that many, many times, and we'll go through it many times again.

This caucus won't give up until we eventually see the elimination of the VLT machines in the province. I suspect that on that side there are many people that feel the same way too, or they question whether the revenues on these machines are worth it. When we look at the budgets and we look at the so-called sin taxes, the sin taxes now account for over a billion dollars in revenue. That's looking at gaming, the VLTs, the sale of liquor, the other so-called sin taxes. That's a great, great portion of the budget that we rely on in terms of revenue each year. There is something that doesn't always sit right about draining money from people in such a way that it is causing damage, and we know it is causing damage.

9:50

The minister has increased it, and it's welcome to see an increase, although I think he's going to acknowledge in future years that that's going to have to be increased on a regular basis, because as people become addicted more and more to these VLTs, it's going to become more and more of a problem. To go up from \$1 million to \$1.8 million roughly – yeah, that's a step in the right direction. The government has to be prepared to respond to these addictions, to provide help to these people who realize they have a problem and that they want that help.

The minister also touched on his specific projects in terms of the \$123 million that's allocated out of lottery dollars and the three categories that are sort of special projects, new initiatives, special events. They total between all of them about \$10 million, \$11 million, which may not seem like a large sum of money, but it's always of concern to me when for budgeting purposes it's so loosey-goosey. Everything else there on that page and within that program is spelled out: the Wild Rose Foundation, \$6.6 million, and so on and so forth. This basically gives the government \$10 million or \$11 million that they can really allocate as they see fit as the year moves along.

From that point of view it is a substantial amount of money. I can see a need at times for some type of contingency fund to meet emergencies, and I can understand that the government wants to get around some of their own legislation where they're not allowed to run up deficits and so on and so forth, where they had to bring additional budget requests to the House. So possibly there's a bit of padding there to try and offset unexpected expenditures. I do have problems with that kind of budgeting.

Hopefully, the minister will be looking at *Hansard*. In fact, I know he'll be looking at *Hansard*. I will compliment the minister in saying that he is good about acknowledging the concerns, the

questions that are raised during the budget, and I do expect that in two or three weeks from now I will receive documentation that's researched by his efficient staff up here and that my questions will in most cases be answered.

I am somewhat puzzled about the Stettler situation that was raised by the Member for Lacombe-Stettler. We do get information from sources other than government, and I am led to believe that when that move was made, there were proposals submitted by B.C. – which basically said, “We're not interested” – the western lottery division, Manitoba, and Ontario. B.C. didn't participate. The Manitoba proposal was not a good proposal. Basically the Ontario proposal and the Alberta proposal were on par. Yet we may have lost an opportunity to provide some employment here in the province of Alberta. I do have some difficulties in contracting out when it's not necessary. I understand the philosophy that we are one country and that we have the provincial barrier breakdown and so on and so forth. I understand all that, but I'm still not completely satisfied that we're provided as much information as we should be. I really am keen on as to what process was used to make this determination.

I'm also somewhat puzzled. While the Member for Lacombe-Stettler certainly is going to appreciate the minister's comments in the House the other day in terms of attempting to fill that building down there with staff from other areas or other parts of the province, whether it be St. Albert employees or – what's there now? – the Alberta liquor commission or the Alberta liquor board. Certainly that member would appreciate it, but it also leaves some questions in our mind. We are the city of Edmonton. We've seen many, many job losses in this particular city. There really hasn't been any concentrated jumping up and down saying that we're going to somehow replace those jobs. Government basically left it up to the private sector to replace those jobs and create new jobs. I don't begrudge Stettler; I just question as to why there seems to be such a concern there. Not that there shouldn't be, but the same concerns should be here demonstrated in the city of Edmonton.

The transportation grant certainly is going to provide some jobs through the private sector, and those jobs will be welcome. But it's going to take a great deal more government stimulation – I'm not saying that government has to do it directly – to bring Edmonton back up to par. According to the newspaper, the minister of science and technology, the Member for Calgary-Glenmore, made comments that Edmonton's gaining more favouritism from the provincial government is dependent on the number of Tories elected. That's a good political answer, but the logical, likely, most beneficial option wasn't spelled out: that's not to reduce the number of Liberals in Edmonton but rather increase the number of Liberals in rural Alberta and Calgary, allowing them a majority throughout the province. Then not only would the city of Edmonton be looked after, but the cities of Calgary and Red Deer, rural Alberta, all parts of Alberta would be looked after fairly and equally. That's the option that particular member overlooked.

Mr. Chairman, as I start to wrap up here, I do want to talk about the VLT payout percentage just a bit. The figure that has been floated out repeatedly, I believe, is that 92 percent is paid back. In other words, if somebody ran on the average a hundred coins through one of those slot machines, on the average 92 should return. The so-called percentage payout is 92 percent, but that doesn't factor in there the almost given that that \$92 is then driven through there again and that then the resulting \$83 or whatever is run through there again. In fact, the way those

machines are set up, if I can recall correctly, when I did some research – well, with the new ones in some places the coins actually come out. There's a system where you can just build up credits. You just keep pushing buttons, and those credits come down. So people that play the machines really don't agree with that technical explanation that it's a 92 percent payout. As far as they're concerned, it's virtually no payout, except for those few that do happen to hit maybe 2,000 or 4,000 credits, whatever the situation may be.

When people talk to me about the poor payouts in terms of the VLTs, you know, their logical comparison is Las Vegas, where the payouts tend to be a lot higher. I understand that Las Vegas is a whole different ball game in terms of dependency on revenue: a much greater extent down there than here. Still, that does irritate some people. I guess the minister's response – and I can't speak for him – would probably be: well, if you don't like the payouts, you're not forced to play the VLTs. A lot of them unfortunately are hooked, and they can't stop. On that note I was going to conclude and allow someone else on this side to speak.

Thank you, Mr. Chairman.

THE DEPUTY CHAIRMAN: Thank you, hon. member.

The hon. Member for Vegreville-Viking.

MR. STELMACH: Well, thank you, Mr. Chairman. It is a pleasure this evening to rise to speak to the estimates. Before I do proceed with the presentation, I wish to thank, through the minister, the staff from the Department of Transportation and Utilities, who unfortunately had to leave, for the excellent working relationship and the speed with which they've responded to many of the questions and provided assistance to all of the municipal councils within the constituency of Vegreville-Viking.

10:00

The move towards the partnership of sharing in the cost, the 75-25 percent cost sharing, on secondary roads in the municipalities has certainly led to better decision-making on behalf of the municipalities. As well, we have a number of municipalities where normally their only role was to identify those roads that they wanted for secondary designation that are now contributing 25 percent, as they do take in traffic count and also the cost of the overlay, and this allows for better decision-making. The 25 percent that rural municipalities are contributing also has levered dollars for rural road construction, paving, and grading, and this is one of the positives of the partnership. As well, the outsourcing of the engineering has improved reporting. Because it's more of a customer service provider, it has led to better service and also better decision-making as well, and because they're contributing the 25 percent and working directly with the engineering firms, it does allow for more involvement from municipalities in the decision-making.

One of the positives coming out of the partnerships of course is secondary 834 that joins Highway 15 and Highway 16. Here's an example of where the county of Lamont has entered into a partnership agreement with the department and has front-ended the cost of the winter haul, stockpiling the gravel much closer to the area of the road construction, which will greatly reduce the cost of dust control and maintenance if the county was to haul that gravel in midsummer. The county was more than happy to front-end the cost because to them it's a substantial saving, as they would have to spend a lot less money on dust control and road repair once that volume of gravel had been trucked.

The other example of the partnership and the leveraging of

dollars, of course, is on secondary 631 where the department and the county have agreed to tender and share, with transportation doing 631 and the county tendering independently 857. It has led to savings of at least a quarter of a million dollars, and that comes from the consulting engineers that are working on that particular project. As a result, we have seen great savings, levered dollars providing for more miles of overlay and improving the safety of the roads in the area.

I do have one question, and that is on Highway 36, a major route from Lethbridge north to St. Paul. There is one stretch just north of the town of Viking that has not been widened, and it is one area that I do want to bring forth to the minister on behalf of the village and the county of Beaver. I'm quite sure given the fact that we are looking at areas where we can improve safety and given that that road in the very near future will be a major highway for conveying all of the livestock, especially the fat cattle that are being raised now in the area of Hairy Hill and north, and of course the amount of processing that goes on in Lethbridge – a lot of the canola and feed grains actually are transported down that road to the feedlots.

So I think that continuing to base decisions on which road should be resurfaced by applying strict engineering and stress tests and of course involving traffic counts will definitely lead to better decision-making not only on behalf of the counties and the municipalities involved but also on behalf of the department of transportation. We've seen excellent examples of that, and for that I do again want to congratulate the staff, because they've worked extremely well and have responded to the needs of the counties in Vegreville-Viking.

So other than the situation on Highway 36, Mr. Chairman, I'd like to conclude my remarks and thank you for your time.

THE DEPUTY CHAIRMAN: The hon. Member for Redwater.

MR. N. TAYLOR: Thank you, Mr. Chairman. I don't know how long I'll be. [interjection] Did you have a question? I don't think there was a question; it was just lots of praise. All you have to do is sit back and relax. I'm not going to kiss you on both cheeks like the last speaker, but I will bring a few questions up.

Too bad the staff has gone home, Mr. Chairman. I used to live in Cairo for some years and got interested in Egyptology, and when the pharaoh completed building pyramids or anything else, he'd round up all the employees and put them to death so they couldn't give away the secrets of what caverns there were. The treasures were hidden in the pyramids. I'm reminded of that when the minister now said that we should give them praise because they're the only ones that are left. I hope they don't feel that they're going to be treated like the pharaohs treated the ancient slaves and that he's going to do away with them, too, shortly. Anyhow, they've gone home to sleep and will enjoy their time, and I wish them well, if there's any left up there.

Now, I'm reading through your mission statements first, and I'll go through these fairly fast. Your disaster and emergency services: I take it you still haven't taken over ambulance, that that's still left in the hands of the Health department, and I wish you would. I wish you would take it over, because the Health department has made a mess of the ambulance service in Alberta, and you could do no worse. I don't know if the hon. minister's here, but ambulance services in Alberta are a basket case.

Maybe you could explain about the 911, why the 911 has been so slow being developed throughout Alberta.

DR. WEST: Nine-one-one, you mean.

MR. N. TAYLOR: Yeah. You are in charge of telephones and you have utilities and you have disaster services, so you should have 911, but you don't mention it at all. There seems to be no program, no idea, and I'd be interested as to what the minister's plan would be. I would think in an ideal society 911 should be used anywhere in Alberta. A lot of city people may not realize that if they run off the road out here in the country someplace or they get sick, just jumping up and calling 911 is not going to do them any good.

DR. WEST: There are three levels of government: federal, provincial, and municipal. Tonight we're in the estimates of number 2.

MR. N. TAYLOR: Actually, if he can wait till I finish and then answer it all together. Maybe he might make notes to remind him or something like that now that he doesn't have his staff up there. [interjections]

THE DEPUTY CHAIRMAN: Order. Let's not go back and forth. We're all going to have our turn to talk.

Hon. member, and then everybody will have their chance.

10:10

MR. N. TAYLOR: Transportation and planning there on page 300, again in your vision or whatever you want to call it – the transportation partnerships provide “financial support to urban and rural municipalities to ensure well developed and integrated local road systems.” That seems to be working out all right, but I just wonder if the minister is going to stick to the 75-25. Is there any thought of changing that at all?

Also, in road safety I don't feel that this government has been doing enough on impaired drivers. I would be interested in knowing if the minister is going to toughen up, examine, and maybe put out more of these surprise inspections on roads to catch impaired drivers. I do find, at least out in my area, that there are still impaired drivers getting out and driving after their licences are suspended. Now, the main reason for that, of course, Mr. Chairman, is that they do not have the certainty of being caught. I think it was the late Sheldon Chumir who pointed out that in any kind of a process it's not the fine that counts, it's not the lecture that counts, it's the certainty of whether you'll be apprehended or not. I think one of the problems we have here with our cutback in policing and our lack of at-random inspections is that impaired driving is not being looked after.

Now we go on to ancillary programs at the top of page 301, I think it is. You mention ancillary programs: “The construction, operation and maintenance of rest areas.” Well, I don't know where the minister gets that from because they're closing them down. Mind you, I think environment was in charge of rest areas, so maybe the minister could explain the interface. It seems to me it's inefficient to have environment in charge of rest areas along highways. It seems to me that maybe that's something the minister should look at, and of course he isn't adverse to grabbing a little more area and a little more power. For instance, I'm just thinking of Highway 28. It used to be an area where there was a lovely stop at Bellis, another one at Warspite, and another one farther out to St. Paul. All those areas are closed down. They're being damaged. There are people going in there and cutting trees down to make fires and everything. There's nobody paying any attention to it. The department of environment says: well, we're cutting staff; we don't have to worry about it; we're shutting them down. And here's the minister of transportation and highways

saying, “maintenance of rest areas.” Well, what's he talking about, Mr. Chairman? As far as I can see, one of the biggest messes we're doing. The same way up Highway 2 as I go up from here towards Peace River country. Rest area after rest area is closed down and now being vandalized, stuff hauled away and everything else, yet the minister is supposed to be in charge of that.

Now, as I move on, then we come to the Alberta Gaming and Liquor Commission, page 305:

To ensure that all activities associated with the importation, manufacture, warehousing, distribution and sale of liquor products in Alberta are conducted in a manner consistent with the Liquor Control Act.

Well, the minister just plain old-fashioned broke his word to many of our mom-and-pop shops out through the rural areas as well as in the cities when he said two years ago that they would have five years – they could count on five years – of running these liquor stores before he would maybe change his mind or bring in the large shoppers. That was just two years ago. Now, Mr. Minister, your clock runs awful fast. It's awfully fast, because it's not five years. It's only two years since you gave that solemn vow that they would have five years. Now many of these people are trapped into running a liquor store . . .

DR. WEST: That's wrong. That is all wrong. Your premise is wrong.

MR. N. TAYLOR: You will get your chance, Mr. Minister.

They are trapped because you and/or this government broke your word to them and are now starting to bring in liquor licences for the large grocery stores. On top of that, in the rural areas some people went out in these towns . . .

MR. BRASSARD: Point of order, Mr. Chairman.

THE DEPUTY CHAIRMAN: The hon. Member for Olds-Didsbury.

Point of Order Relevance

MR. BRASSARD: Section 23(b), the relevance of the comments that are being made to the estimates at hand. We're not talking about the freedom of liquor sales in large stores. We're not talking about that. Stick to the scripts.

MR. N. TAYLOR: Mr. Chairman, I know he was sleeping quite soundly before he woke up and ranted, but the point is that this is his five-year plan. He's right on. We introduced the thing. The hon. Member for Olds-Didsbury is lost again. He's a nice fellow, but now and again he just . . .

THE DEPUTY CHAIRMAN: Hon. Member for Redwater, whoa. Down.

On the point of order. We made a decision earlier, a unanimous decision, to go into lotteries. There's some discussion whether that was the proper thing to do. Once we did that – and it was unanimous consent of the House – then it's pretty well a free marketplace.

The hon. Member for Redwater.

Debate Continued

MR. N. TAYLOR: Thank you very much. The second part was that out in the rural areas we did license a number of liquor stores, and there again the government, I think, for lack of a

better word, has double-crossed many of the people out there by putting out what they call these – well, I can't remember the name of the thing here – agency stores. Agency stores were put out through the areas, which undermined the marketing area that they sold the liquor store to. Now, that to me is a double cross to many small businesses, particularly out in the rural areas. The agency stores then got a second double cross because when the rural liquor stores complained, they said: well, then maybe these agency stores will have to buy their wholesale supplies, because there were small amounts, from the regional liquor store. The point is: in no time at all he changed that. So the agency store can march directly to Edmonton here and buy directly from their store and set up.

**Point of Order
Parliamentary Language**

DR. WEST: A point of order, Mr. Chairman, under 23(h). I want your ruling also on some language. The use of “double cross” and making allegations that somebody in this Assembly has double-crossed somebody in Alberta I find unparliamentary, and I would like a reading on it.

THE DEPUTY CHAIRMAN: You certainly bring up a point, hon. minister.

AN HON. MEMBER: We need a reading.

THE DEPUTY CHAIRMAN: Well, I haven't got it, but I can look it up if you want. There are words in here that are used in a general term. The hon. Member for Redwater's been around a long time, and I think it does cause some problems when you use those kinds of words. It's the manner they're used in. I'm sure he'll be careful from now on. You have a good point.

MR. N. TAYLOR: Actually, for the member's benefit, “double cross” is all right. I was thinking of a lot worse word. That's probably the last time that I'm going to use it in this area because there are only two double crossers I'm talking about. So we can go on from there.

DR. WEST: Mr. Chairman, another point of order under 23(j). He's continuing to use abusive or insulting language that's likely to create disorder. I'm not going to sit here and have him play his entertainment around wordage, using the word “double cross” and insinuating that's the type of manner in which liquor was privatized. If a member continues to use language that creates disorder in this Assembly, then I think he should be called to order on it.

MR. DICKSON: On the point of order.

THE DEPUTY CHAIRMAN: No, we're not going to get into a debate on this.

The hon. Member for Redwater wants to comment on the point of order?

MR. N. TAYLOR: Is it all right for my legal counsel to come in here?

THE DEPUTY CHAIRMAN: Okay.

MR. DICKSON: Mr. Chairman, on the point of order. Surely it

was never contemplated that members had to rely on Standing Orders to restrain themselves and impose the kind of self-discipline that's expected implicitly of every member in the Assembly. The most preposterous submission I've ever heard in this Chamber is that the member has to be protected from himself. I'd suggest that that's an abuse of the process, simply to make that kind of an outrageous assertion. I'd encourage the hon. minister to exert some self-control and self-discipline and not to try and rely on the Standing Orders to enforce his own sense of restraint.

THE DEPUTY CHAIRMAN: On the point of order. Obviously, the Minister of Transportation and Utilities has a point. It's how words are used that will usually cause an eruption in the House. Although I don't think that the hon. Member for Redwater specifically called “double cross,” it's the way you use the words. So I'm sure, with his indulgence, that he will not continue to use the word because it does cause eruptions in the House.

The hon. Member for Redwater.

10:20

MR. N. TAYLOR: Thank you, Mr. Chairman. There's no doubt that the many small liquor store owners feel that they've been double crossed. I will go on and move on.

DR. WEST: Mr. Chairman.

THE DEPUTY CHAIRMAN: Hon. minister of transportation, if it's the same point of order, I've ruled on it.

DR. WEST: Well, it's starting again. How long do I have to sit here and take this abusive language?

THE DEPUTY CHAIRMAN: Hon. minister, it's his opinion; it's your opinion.

The hon. Member for Redwater.

MR. N. TAYLOR: Thank you, Mr. Chairman. Obviously the hon. minister has been taking his cue from the Premier and feels that he can run out and avoid things whenever he doesn't feel like it. Throwing a sulk and running away doesn't do it.

Debate Continued

MR. N. TAYLOR: Now, let's move on to VLTs. One thing bothers me, and this is in racing now. The hon. minister is talking about the responsibility for the pari-mutuel tax revenue and expenditures. Well, my understanding is that the racehorse owners feel that the VLTs have sopped up or dried up a great deal of the pari-mutuel revenue which used to flow back into helping raise horses. The minister is quite familiar with those animals, I'm sure. The minister also suggested sometime in the course of events here that he was thinking of a licensing arrangement rather than a pari-mutuel arrangement to supply funds to the horse race and horse breeding people. I'd be interested if he would expand on that, if he can keep his temper under control, and try to explain to me just how he was going to try to restore to the horse breeding industry in Alberta some of the funds that they used to collect before the VLTs got turned away in this government's mad race and greed to grab off money before it starting cutting into pari-mutuel funds.

Now, I've finished that book; we'll go on to another one. For the Member for Olds-Didsbury this is a part of the debate too, if he wants to look. I just wanted to let him know before he

suddenly jumped up and stopped yawning and argued that he wanted to see this. I can see he's saying fuddle-duddle, Mr. Chairman, but I won't be worried about that.

[Mr. Tannas in the Chair]

The next thing that I'd like to ask the minister: what is he intending, since there's nothing in here on airports? It should be under the transportation thing, rural airports. I see nothing. Where would I find them in the budget? I mean, just where would the upkeep and planning be in the budget? If he still has them, if it's hidden somewhere that I didn't see or I maybe couldn't see it, could he explain what he's spending to keep modern navigation and other facilities up? If we're going to expand our rural economy, it's good to have a very good airport system.

While we're on highways – and I won't ask about Olds-Didsbury's highways. I'll go very close to them though. The Red Deer bypass is one that nearly, every time I stop for a Coke or something along there, everybody complains about. Now, the suggestion isn't that they've been double crossed, but the suggestion is that the planning didn't go the way it should and that bypass is in effect causing an immense amount of damage to the businesses along the old Gasoline Alley. I'm wondering if the minister could explain. I notice he's got Highway 2 interchanges down there, but I'm having trouble finding just where in his budget he would be compensating the businessmen at Gasoline Alley and whether he wouldn't consider meeting with them again to work out some alternatives, because they seem to feel that they've been left alone and cast adrift.

Another one – this is in my constituency – Highway 37. He mentions the curve revision and access control at the CNR trestle. Now, that's a big problem because that's where the school buses come in and try to join Highway 37. There's a curve where the highway comes under the trestle, and they can't see the intersection until about 150 yards to go. There's going to be a horrible accident one of these days with a bus. Although the minister might grin and think it's funny, I would like to know a little bit more because all we had is a runaround from his department when we tried to find out how wide the road will be widened there in order to ascertain whether these extra long school buses that join the road there can get in. The answer we've had from the minister looks like it has been put together by an expert in circumlocution and verbosity. Now, you may have fired whoever did it, I don't know, but the point is that maybe you could look at it again because it does look as if we have a mess shaping up on our hands.

Highway 794 has already been touched on, but because the hon. Member for Barrhead-Westlock isn't here – and I know he would want me to do it. Maybe the minister could answer why 794 hasn't been made into a primary highway. Why isn't it an extension of Highway 44? As you know, they come whipping up from Calgary, go over to Devon, go around up to 16, then you're faced with going on a secondary highway up to Westlock to join the primary highway again. There seems to be absolutely no reason. This is one of the reasons, the Member for St. Albert pointed out, why here are so many deaths and accidents on that. There's a death about every 90 to 120 days. The Member for Barrhead-Westlock, the Member for St. Albert, and when I was Westlock-Sturgeon: we did our darndest to get that made into a primary highway, and all we do is get a certain amount of rinky-dink operations along the way – widening the shoulder from time

to time, here and there, straightening out one or two curves – but not an honest to goodness program, because every heavy truck going from . . . [interjection] That north-south highway that you're talking about, when they come across at Coutts, go up to Lethbridge, come through Calgary, get up to Edmonton, then curl around to the west side of Edmonton and come up highway 794. The minister is terribly remiss in his duty for not doing that. Because the Member for Barrhead-Westlock has been saying so many nice things about me in the media lately, the least I could do was pay him back by going to bat for a highway.

Apparently the minister can't take the gaff going so long and late in the day. His stomach is growling. He's growling. He's complaining about being double crossed. Gee whiz. You know, I've got a few years on him, but I'm just starting to hit my stride, and he wants to get his pabulum already.

I'd like to ask him another question. Also in is a tentative major construction program, local road highway system, down in the Enchant area, where the House leader of the Reform Party down in Ottawa, that wants to get to be opposition without electing enough people, has his farm. You mention you're going to do a bridge replacement on an irrigation canal. My impression was that the irrigation district – that's the Belly River irrigation district – had to pay for their own bridges that they were doing. Maybe you could just bring me up to date on how much of that we will pay for, if it's all, when you have an irrigation district that's having their bridge replaced. [interjection] Darling, you can have anything you want. I've never been able to withstand you.

10:30

Now we come to the department support services. I'll try to go through that. I just wish some of the sweetness and light you're spreading around would go over to the minister.

Why did you lump together, for instance, the cost of doing public roads on Indian reservations and Métis settlements? That's kind of insulting to – I don't know who to – the Métis or the natives. The native people are on federal lands. The Métis is provincial land. They're two entirely different native problems. I'd suggest that you talk to your colleague on the right, and he will explain to you the difference between a Métis settlement and an Indian reserve.

THE CHAIRMAN: Hon. member, we've enjoyed the last 20 minutes, and now we'll let the hon. Minister of Transportation and Utilities, responsible for lotteries, make his replies.

DR. WEST: Now it's my turn. Your reference to your night owl habits, you know . . .

MR. N. TAYLOR: If you say something nasty, I'm going to walk out. I won't stay here and take it.

DR. WEST: I want you to pay attention, because I think you'll be hiding your own Easter eggs pretty soon here.

If the hon. member in his presentation would concentrate on the core of his philosophies, I might say when I stand up that he's asked some pretty good questions, but intermixed with it is the flabber-gab that he thinks is so funny in this Assembly. As a result, he drops innuendos and allegations about certain things that absolutely, I think, could be misconstrued by the people of Alberta as to what in fact are indeed the policies out there.

The one I'm going to talk about is the liquor stores that he brought up. I don't want to leave that. I want to address it first.

He said we made a five-year commitment to the liquor store owners that we wouldn't allow liquor in grocery stores, and that's absolutely true. We said we wouldn't allow large chains to have liquor inside them, and we went to all types of changes to the regulation and policy to ensure that the large corporate structures couldn't put liquor stores in and around the groceries, with the milk, with the dog food. We always said that if anybody in the province of Alberta – anybody – wanted to go into the liquor store business, they could.

We went, again, a little too far. I mean, we were challenged several times in our policy. We tightened it up and said that if they build a free-standing liquor store, separate from their business, not even a carve-out, they can't be treated any differently than any other Alberta citizen. So the liquor store owner now in the association comes up and says, "Yes, but A, B, and C company built a liquor store in the parking lot beside their large grocery store." So what? They are the same as any other citizen in this province. I don't stop anybody from going into the liquor business. I don't have that right. I have the right to set the rules so it's a level playing field.

So you're insinuating – and you left it on the floor of the Assembly – that we broke a promise. We didn't break a promise at all, and they fully well knew it. If they could just stop the carve-outs and stop them good – they never dreamt in their longest day that these people would go and construct and set up an independent liquor store. Now that they have, they're trying to fan rural Alberta and all the small liquor store owners into this doom and gloom. Well, I'll tell you that a liquor store in a parking lot beside a large chain in Edmonton isn't going to affect the people in my constituency one ounce.

Now, you talked about airports. Well, just so I can answer that, I tabled today in the Assembly the work that's going to be done on airports. I'll read it out so you can read it too. You had it today. So if you do your homework, you'll know that we are helping the airports' infrastructure in rural Alberta: High Level airport, fog and coat and repaint this year; Three Hills airport, pavement overlay; Barrhead airport, pavement overlay; Stettler airport, slurry seal; Bassano, fog and repaint; Cooking Lake airport, drainage improvements; Warner airport, fog, coat and repaint . . .

MR. N. TAYLOR: Where's it in the estimates?

Point of order.

THE CHAIRMAN: Order. Order, Mr. Minister. We have a point of order.

What is your point of order, Member for Redwater?

Point of Order Clarification

MR. N. TAYLOR: Could the minister tell me what he was reading from? I'm like the Member for Olds-Didsbury. I've only about four books here, but none of them is the one he's reading from. I know it's not the Holy Bible.

THE CHAIRMAN: Thank you, hon. member.

I guess the question is: what list are you reading from, hon. minister?

DR. WEST: Well, Mr. Chairman, if he looks at page 376 and he looks at 2.3.3, ancillary infrastructure, \$4,221,000 – he cleverly caught on to some of it by bringing up the rest areas, and I'm

going to talk about that now. If he didn't know the terminology, ancillary projects also include airports, just so you know that it's in the budget book. I was reading something that I'd simplified today and gave to you in the House. I filed that today. You'll catch up, I'm sure, as time goes on.

Debate Continued

DR. WEST: The rest areas. When we talk about those rest areas, we're not talking about the 200-some sites that were transferred over to parks and are now in the department of environment. We're talking about rest areas such as you see at Wetaskiwin and perhaps down by Airdrie. We have in the province a group of rest stop areas that were built a few years ago. They were quite palatial palaces – I'd like you to know that – that have washrooms and a park area around them. Those are the ones that we have to go in and do maintenance on and ensure that the water and the bathrooms and everything are kept up to date. So we spend some of our money on those areas.

The 75-25. You said: are we going to change that? No. It's brought a great deal of accountability to secondary road programs. There's one sure thing: when one level of government has to pay some and they cost-share it with another, they just don't go out and pave every road or rebuild every road, because they have to then go back to their ratepayers and justify their expenditure.

The 75-25 split is the average throughout the province. We do have areas that are on a 35-65 split, depending on the amount of roads they have versus their assessment base, but the average is 75-25. It's worked very well, and we'll keep it there. With that we also require that prioritized secondary roads must have 200 cars per day minimum before we'll look at a cost-shared project.

[Mr. Clegg in the Chair]

Impaired driving. It's a good point you bring up. I give you full marks on impaired driving. I said in my presentation that we are going to put the force of this department on our safety issues. That's one area I want to beef up. We've talked to ITV and the safety foundation. The impact of the messages they put out – I give them full marks. If you drink and drive, you're a bloody idiot: I think we need more of this. We've got to hit the public between the eyes.

We do have a lot of Check Stops in the province. You say that we could have more; that's true. The deaths in this province are going down. Some of that's attributable to the fact that we have good enforcement on this, as well as some of the other factors we brought in, but there's more that can be done. When I get this over from registries and we have one-stop shopping for our safety, for our driver training, driver education, and other issues around it, I think we'll come up with some policies and partnerships out there not only to enforce this but to try to stop people and make them more responsible when it comes to getting in a car after they've had a drink.

One of the things is that in the Act that's coming through, that's on the floor, the new Liquor and Gaming Act, if you'll notice, we're concentrating on the driver. We're saying, you know, that on this whole thing about trying to ascertain whether you've got illegal conveyance or illegal possession, the issue is not whether there's a half bottle of something in the car; the issue is: is the driver sober? The issue is the driver. You're absolutely right. The hon. member said there's got to be consequence for your actions. People weigh up: am I going to get caught? Not only am I going to get caught, but is there a consequence for my action

if I get caught? Is it severe enough to nail me between the eyes so I can make a rational decision that I'm not going to take that chance?

10:40

Then you've got to be educated that drinking and driving kills. Let's not get in the middle. At one time 75 percent of the fatal accidents in this province were because of booze. So that message has to get out. The good old days that I came out of in the '40s and '50s – I don't know what age you came out of, sir – where we didn't think we'd hurt anybody and that it was a casual thing are gone. In a society with the concentration of traffic that we have today, we can't write it off to just the good old boys or the good old girls going out and having a good time. We've got to draw the line in the sand, and I would ask all members of this Assembly to help me in coming up with a policy that will indeed do that out there.

The VLTs and horse racing. Yes, we've heard this. VLTs have been blamed for everything: blamed for the decrease in the sale of cowboy boots, blamed for the decrease in horse racing. It's funny that one is criticizing the others as if they're holier than thou, you know: horse racing is beautiful and VLTs are not.

I just know that in North America horse racing is decreasing. They have to put more bells and whistles around the product. They have to get people attracted to larger purses. If you can get it so that I can bet on a horse race in Hong Kong – you know that \$60 million is bet on one horse race in Hong Kong in some days. Sixty million. Our total purse for the whole year in Alberta is \$198 million. The sophisticated person who likes horse racing wants to be able to bet on California, bet on Florida, and bet on Hong Kong all in the same day. They've got to do something with the product that they give here. It's not just the VLTs that are taking away from it. They have to get down to the entertainment centre. I often say now that you can't just calculate to bring somebody into the stands anymore, shivering beside the rail to watch a glorified horse racing. Those days are gone, folks. They would rather sit in a warm place with other types of things around them.

So don't blame VLTs. Blame the product. Blame the industry. It's got to come into the next century and put more bells and whistles on it and attract the public. The public needs entertainment.

MS LEIBOVICI: They can bet at home on the Internet if they want.

DR. WEST: One of the members said that they can bet on the Internet. Well, that's true. I'm saying that's what you're competing with today. Why can't we get more people at our junior B games? It's not the VLTs. I go out in my own community: good hockey, good senior hockey and that, and we used to get 800, 1,000 people. Now they're struggling to get 300 people out to the final games. Why? Because they were competing with TSN. People are stressed out. They want to stay home.

MRS. ABDURAHMAN: Well, why are they stressed out, Steve? I like what you say but . . .

DR. WEST: Well, they're stressed out because they're working till 11 o'clock at night.

The Red Deer Gasoline Alley was brought up, and we certainly have looked at Gasoline Alley. There is no special formula to planning and designing. It goes on daily. The purpose of

Gasoline Alley was to move traffic through on a four-lane highway at speed. That was the first function: to have zero at-grade entrance on and off, only on speed-up ramps, and to move traffic through. Some of the decrease in people stopping there – if you're wound up in your car and you're going at 110 kilometres an hour and you're on your way and can go now in two and a half hours, you know, from outskirts to outskirts, Calgary to Edmonton, you're just going to go right on by.

Before, when you put the brakes on and you were down to 80 kilometres, you know, at grade intersections: "Oh, I'll stop for a coffee" or "I'll stop here." A great percentage of the traveling public is now moving on through. That's number one. Number two: there's no way you can create high-speed off-ramps and a design in that area with an overpass in it that doesn't make people get off and go around. It's not like the Indy 500 where you just roll in and the guys fill up your gas tank and you race back out on the highway. That wasn't the nature of the beast. We had to plan within the framework of the land that was available. We had environmental things. The overpass could have been a little farther, but there was a protected slough there. There was a municipal problem. There were land problems.

So as things move through, you say: is there going to be compensation? Well, I think that in my area when we four-laned the highway, we bypassed every community along the way. I'll bet you I can give you 20 businesses that went out of business. The Minburns, the Lavoyes, the Manvilles, the Innisfrees: they had truck stops; they had gasoline. They were turned immediately. When that four-lane highway opened, people didn't come off and go into them. And so, you know, we have to look at safety . . . [interjections]

[Mr. Tannas in the Chair]

Out of one mouth you're talking about safety. You want safety there on the issue of where the bridge is and the school buses come down to it. Well, safety is an issue on our four-laning of a highway. The number of deaths on the Yellowhead Highway from Edson have greatly decreased since we did it. They used to call it Death Alley. Don't you remember when they used to talk about the trip to Edson or Jasper? So the price of that is that you have to pull through at high speeds at zero grade entrances. Yes, there are businesses that have been affected in Red Deer, but there were businesses affected in every major area. [interjections]

The member keeps yelling "Compensation." You would have to go back in time, then, and we've had enough of that. Society as it progresses can't go back that far.

I wanted to go back to the Member for Edmonton-Rutherford. He got going about – I wanted to clean that one up too – the VLTs and the payout of 92 percent. You know, they'll tell you in Vegas that they'll pay out 98 percent. First of all, these are audited and checked by the same companies that do most of Canada and most of Vegas. The setting of the chip that's in them at 92 and a half percent is the average of Canada. But you're right. Because of the randomness of that chip and the permutations and combinations that are set out – they test them to a million spins – it has got to infinity to correct it to 92 percent. You're right. Somebody walks in some day and puts in a little bit of money and takes out \$2,000. Say you bet \$20 and you got \$2,000. How many thousand percent is that over the 8 percent that's there to take? So now the little chip says to itself: "Oh, the last five guys in here took out 5,000 percent. Now I've got to readjust the plays." That's the chip that's programmed to do that

in its randomness to equalize this. So that cycling that does that makes it so that 70 percent goes back and 30 percent goes in, because it's 92 percent of the reinvestment – 92 percent – and it goes on.

Now, somebody says, "Oh, in Vegas it's a lot better." Well, I'll tell you. I was in Vegas only a couple of times. I'm looking around at these big Mirage hotels and that sort of thing. They're spending \$500 million, \$700 million, and there's a football field full of VLTs, and somebody's saying to me, "Oh, these are real machines. They give back 98 percent." And I say, "Well, isn't that wonderful that you're so naive to believe that 2 cents on the dollar built that." Now, if you've ever been down there – some people are telling me they're building huge arenas for the slot machines, and the table games are getting smaller and smaller, where you play the cards and that sort of thing. And you tell me they're not taking . . . [interjections] If they set it at 98, they're probably paying back about 73 cents on the dollar, because it's no different in Vegas than it is here.

There are some discussions. If you slow the machine down, if you were to make the thing roll like this and slow it down so that people, when they put it in, had to wait for it to come around, then you have a point. The speed of the machine, the faster it moves for you as you put your coins in and you pull and you pull and pull, speeds up that problem that we have.

10:50

Manitoba has set their machines at – I don't know – about half the speed, or down, and of course they take in about, you know, a quarter of a rotation on a machine on a weekly basis. If Regina opens up – they're charging a hundred dollars for bus passes now to take Albertans to Regina, and they're filling them up. Regina isn't changing the speed of their machines or the percent payout. I don't know that we've accomplished anything. The other day a bus rolls into my town and loads up with seniors and other people. I said: where are you going? "Oh, we're going down to Vegas." There they are. They're coming from Bonnyville, they come down to St. Paul, they fill the bus, and off they go to Vegas.

THE CHAIRMAN: The hon. Member for Calgary-Bow.

We're going back and forth between the people who precipitate the answers from the minister, so Calgary-Bow.

MS LEIBOVICI: Now we're back and forth again from their side.

Chairman's Ruling Speaking Order

THE CHAIRMAN: That's right. Just a minute, Calgary-Bow. To explain again to the hon. Member for Edmonton-Meadowlark: what we're doing is if the minister responds to the questions by a member, that's one side. Then the other side has a chance to ask its questions, and we go back and forth. That's what we've been doing all evening. So the minister was responding to Redwater's questions.

Calgary-Bow.

Debate Continued

MRS. LAING: Thank you, Mr. Chairman. It's a privilege to speak to the estimates tonight, and I'd like to congratulate the minister for his vision and the innovation he has shown for a number of his projects that he has put in place.

As a member of the Lotteries Review Committee, it was very

encouraging and rewarding to see the minister implement many of the recommendations of the committee. One of the recommendations was that problem gambling be a priority of government, and this can be seen by the proposed increase of funding to AADAC in this budget. Although the percentage of Albertans that are addicted to gambling is small, it's a very serious issue for them and their families. The Alberta government takes these cases very seriously and has been working with AADAC to help problem gamblers.

In January of '94 AADAC was given a mandate from the Alberta government to co-ordinate research, prevention, treatment, and training efforts related to problem gambling. As was mentioned earlier, while most Albertans gamble with no personal problems, approximately 5 percent of adults will experience various degrees of gambling problems. The government funding to AADAC includes resources to fund local community initiatives to address problem gambling through research and education, prevention activities designed to meet the local needs.

AADAC also has many initiatives under way for elementary, junior high, and high school aged kids. These include providing information and raising awareness of the issues related to adolescent gambling and decision-making. AADAC through the education programs is able to reach many people and stop gambling problems before they arise.

Training is another key element of the work that AADAC has done. AADAC provides extensive training in prevention and treatment of problem gambling to their members as well as to funded agency staff. They upgrade their training programs through seminars and conferences. Last year the second conference on problem gambling was held in Calgary. This conference drew 175 registrants from Canada and the U.S., including from as far away as Texas. Participants included allied professionals and also individuals from the gaming industry, including two of the casinos in Las Vegas. The conference raised awareness about issues related to gambling and shared expertise in addressing problem gambling. In addition, the AADAC staff meet with stakeholders in an annual roundtable to identify and resolve issues that arise from this work. In fact, today the stakeholders' meeting was held here in Edmonton.

AADAC is currently funding the Nechi institute to develop and pilot problem gambling training modules for counselors to work with native communities. An elective program has also been developed as part of the addiction studies program at the U of A. AADAC has been one of the participants in the development of this program and has also had some of the speakers making a contribution.

Every one of the AADAC offices across the province has at least one person who is especially trained to deal with problem gambling. Mr. Chairman, though prevention and training are very important keys in dealing with problem gambling, treatment is perhaps the most crucial part in helping those who need it. AADAC has many treatment initiatives that provide a wide range of services and resources to people, from individual counseling to group sessions to intensive.

Some of the other activities that are included in this include a 1-800 line which operates on a 24-hour basis. Ads are also placed in weekly newspapers at least once every two months. Posters indicating the 1-800 help line are put up in bingo halls and casinos, and new materials are being developed for gaming venues for this year. Ticket venues all have merchandisers' strips advertising the 1-800 help line along the side of lottery tickets, and the 1-800 help line appears on the back of 6/49 and Super 7 tickets.

Educational materials have been developed for problem gamblers, their families, allied professionals, their employers, and employees in the workplace. AADAC promotes the establishment of Gamblers Anonymous groups in the province, and to date the GA groups are running in 19 cities or towns in Alberta.

AADAC has funded 17 community projects related to problem gambling for the fiscal year '95-96, and this means a local community group running the program. Allied professionals and 33 AADAC staff have completed a 48-hour program of studies on problem gambling, and participants come from all over the province. To date, 120 clients have received inpatient treatment at the "Slim" Thorpe Recovery Centre, which is partially funded through AADAC.

Last year, Mr. Chairman, the government confirmed that the support for research, prevention, treatment, and training efforts related to problem gambling remain a priority, as recommended by the Lotteries Review Committee. I believe the best way to help those who are addicted is to have programs in place that will deal with the problem effectively, and Alberta has one of the most advanced programs in place today to deal with problem gambling.

I would like to encourage the minister and thank him for the increase in funding. I would also like to thank him for the Stoney Trail, which is in my riding of Calgary-Bow. It's one of the highway connectors, and the funding is in the line to make the completion. This certainly will help my constituency as it helps to take the cars that bypass through there and put them on the Stoney Trail from the northwest. So thank you very much.

THE CHAIRMAN: The hon. Member for Edmonton-Meadow-lark.

MS LEIBOVICI: Thank you. I appreciate the opportunity to speak to the Transportation and Utilities budget. One of the thoughts that the minister had when he talked about stress – and though I realize this doesn't have to do with the Transportation and Utilities budget, it was brought up by the minister in terms of stress. I think that it is very true that when we look at the present minimum-wage, part-time employment economy, yes, that is very stressful for families, and perhaps that's why they are not running to the racetrack, as it seems this particular minister would like to have us see. People I think are holding onto their hard-earned dollars a lot better than that.

There are a few issues, however, that I would like to address with regards to Transportation and Utilities. One is the whole issue around road safety initiatives, deregulation of the motor carrier, permitting system, and some of the changes that are occurring within the department of transportation. I'm not quite sure who the minister is conferring with when he is attempting to make these changes. I understand that the minister is looking at a self-compliance model. What I am being told from some of the truckers that I've been talking with is that the self-compliance model is not working as wonderfully as the minister would have us believe. In effect, what is happening is that there are a number of companies out there who are habitual offenders, who continue to offend and realize that there are not very many safeguards in place to ensure that offences do not occur. If the minister at any point in time wants the names of those firms, I'd be more than pleased to give those to him.

11:00

One of the things that we see happening is that the amount of tickets that are being given out seems to be on the decrease. There is a question in a lot of individuals' minds as to why this is

the case, why the department seems to have engaged in a policy of warning as opposed to actually ticketing. The other issue that comes up is the fact that if tickets are being given, the tickets are not being given to the owners of the trucks, which is essentially where ticketing should be occurring.

Now, when I see in the budget that one of the things that's going to happen is the consolidation of the legislation, one of the questions that I'd like to have answered is whether part of that consolidation is going to be the taking away of the authority of police officers in Edmonton and/or Calgary and/or Red Deer to give out tickets and whether that's a planned move on behalf of the minister, whether this is something that the minister would like to see in order to again go along the road of self-compliance as opposed to ensuring total compliance from the industry.

One of the issues that the minister did not address, I don't think, is in terms of the size of the trailers that we're seeing on our roads. What we are seeing are these huge trailers. They're tandem trailers, where you see two. I forget what the lengths are, but what's happening in this province is that we're seeing an increase in the length and an increase in the loads. Now, what's funny is that when our trucks get to the B.C. border – and I'm not sure how many of you are aware of this – what they have to do is actually uncouple the trucks because the B.C. government does not allow for our trucks to go through. On the Saskatchewan side there's a similar problem. On the Saskatchewan side what happens is that there are regulations in effect that allow for only certain time periods in which these trucks can go through.

AN HON. MEMBER: It's just unbelievable. That's socialism.

MS LEIBOVICI: So what we're seeing happening is that either, as the member says, it's socialism at play or the other provinces have perhaps a greater concern for the truckers than this province has.

The other thing that we're also seeing is the fact that when we have a tandem truck such as we have in this province, what in effect this government is allowing is for one trucker to be out of work. So for every truck that we see like that, there's another trucker who is unemployed. So for a government who pride themselves on small business, who pride themselves on employment initiatives, this is one way that this government has ensured that people will be out of work.

Now, for the rural members and for those who come from southern Alberta, my understanding is that those huge trucks are a menace on the roads. In effect, especially where you do not have a double highway, you can't pass by those trucks. When those trucks are going up a hill – and I'm sure the Member for Lethbridge-West has been behind one of those trucks because it's in the southern portion of the province especially that I've been told that this occurs – what happens is you get stuck and you can't pass. If you pass, it's very unsafe because you've got to really rev up to get to a certain speed. What ends up happening is that there is an increase in accidents.

Now, the minister in his introduction this evening indicated that the problem was driver incompetence, and I would like to take issue with that. My understanding is that the department of advanced education is looking at bringing in an American firm to try and set standards within this province. Why do we have to import expertise from the United States? Do we not have the expertise here to set our own standards within the trucking industry? Does the minister have such little faith in our truckers and the trucking association that he cannot get someone to set

occupational standards for Alberta in this province? I'd like to know what the cost is of bringing in the American consultants to do this.

The reality is that the trucks are unsafe. The reality is that when you look at the hitches between those huge tandem trailers, they won't hold them together. The reality is that what is happening within the trucking industry is unsafe, and I think that this movement towards deregulation, towards consolidation – they're all wonderful words – is going to increase the number of accidents. It's going to increase the lack of safety that we have on our roads. All you have to do is look at the statistics from Calgary and look at the statistics from Edmonton, and you will see that in effect when those trucks are pulled over, they don't meet the key performance measures that are in this particular book. If anything, they exceed them. The only way the key performance measures in this book are going to be met is by the lack of regulation and the lack of inspections that are occurring.

Now, I would like to shift gears, if I can, to talk a little bit about the liquor commission. I have a question for the minister that I'd like answered in terms of the control within the liquor Act. An incident comes to mind that I had a question on as to where a 17-year-old youth in Edmonton – and I believe it's going to trial – allegedly killed another individual outside of a bar. Now, the question is: what was a 17 year old doing in the bar? The other question is: given that there was a 17 year old in the bar, why did the police not have the authority to close down that bar? It's my understanding that the police do not have the authority. I'd like to know why the police do not have the authority, why it rests within a liquor commission or a liquor board somewhere to make that decision at some later point in time many months down the road without having the immediate ability to go in and close down the bar? So I'd like the answer from the minister on that.

The other question that I have is on the amalgamation of the Alberta Liquor Control Board, Alberta Lotteries, Alberta lotteries and gaming, and the Alberta Gaming Commission. What I'd like to know is: what, if any, were the severance packages that were given? The minister has received a letter on that, but I don't believe we have an answer yet. What, if any, were the severance packages that were given to any of those board members, to any of the employees, any of the commission members that were attached to those particular boards? My understanding is that there were some very hefty severance packages given to some of those individuals, and I think that that should be either indicated within the budget or available to the public to have at hand.

There is one other issue that I would like to congratulate the minister on, and that is the extension of Anthony Henday to Highway 16X. That is something that I have worked for very hard within my constituency. Hopefully, with that extension and the ultimate finishing of the ring road in Edmonton we will indeed have a system that goes north to south throughout the province. Edmonton is a key area for the transportation of goods from northern Alberta; therefore, for that roadway to be finished was a necessity. For that I do thank the minister. I also hope that with that completion of that portion of the ring road, the DGR – and I realize that that is not within the jurisdiction of this minister – will then be taken off 170th Street and put onto Anthony Henday, where it more rightly sits.

With those comments I close my portion and look forward to the minister's answers and hopefully investigation of some of the incidents that I have been informed of. As I indicated, if the minister would like more information, I would be more than

pleased to sit down with him and to go through it with him and to provide names as well of other individuals who would be willing to let him know what really is going on on the highways from the truckers' perspective.

Thank you very much.

11:10

MR. DAY: Mr. Chairman, just a few comments to the minister related, first of all, to the lottery fund estimates themselves. There's been suggestion from various sectors of our population that in fact the government makes too much from or takes too much money from lotteries, and I'm bringing these comments as a reflection of what I have heard from a number of sources. I'd like the minister, if he would, to give some reflection to this in consideration of some of the what I call competing requests for the expenditure of these dollars. For instance, we've already heard from the chairman of AADAC about concerns related to addiction and gambling, and from the point of view of the people who deliver the counseling services to those who are afflicted with this addiction, there seems to be a need for more dollars. I would like the minister to reflect on that and to give consideration to the fact that we're being told that there is an increase in addiction.

A few days ago I already addressed remarks related to VLTs themselves. In looking at the overall estimates here of the lottery fund, there is a lot of money there. We recognize that. It's fairly easy to see. At the same time, there seems to be a demand from those who are knowledgeable in the area of addiction counseling that there is a need for more dollars. I would like some kind of response on that. Really the question would be: what have we really got to lose? Money is going to the communities obviously for a lot of worthwhile projects.

Certainly the Member for Lacombe-Stettler, who chaired the lottery fund review, and other members heard an interesting thing, a common theme that seemed to run through the public presentations, and that was that there seemed to be a lot of groups who were almost seeing the whole process of getting money from lotteries to fund their programs as sort of being the lesser of a number of evils. There was a suggestion from a number of groups that even though they were receiving money for worthwhile projects, problems related to addiction were being caused in all communities. Therefore, these groups were saying: we do need the money, and it does go to worthwhile projects, but we are creating a problem, and the problem is an increase in addictions.

So I would like the minister to really give that consideration and to see what it is that would be inhibiting or restricting in any way those particular groups, as the chairman for AADAC has suggested, from receiving virtually – I know this sounds strange from a government that is talking about fiscal tightness, but the need is there – all the money that is needed or required to deal with the problem of addiction counseling? I say this in a rational way. Obviously, where dollars are going to various groups, those groups should be able to prove their expertise, and they should be able to prove their ability to be able to have an impact on the people that they're working with. They can't just be anybody setting up shop or a shingle and saying: give me money, and I'll fix people who have addiction problems. They have to be able to prove that their program actually works. But really what is stopping us from giving, as we consider your estimates, all the money that is required and requested? That's the remedial action.

There's also preventative action where dollars from the estimates, Mr. Minister, could be directed in a more aggressive way towards education programs. One suggestion that has come from groups is to take some of this money from these estimates

and in fact in every place where there is gambling going on, whether it's a sign posted or brochures made plainly available so people can – I mean, these people who go in there know if they need help. There's a number to call. It could be a 1-800 number. But they need to know that there are resources available and there are people available to help them with their problem. If more dollars could be directed to that, I think we would be better serving our communities. As they receive money for programs that are worth while, they would also know that the dollars that are going into those machines are also being directed towards helping the problem.

Back to the estimates on the transportation side. The situation known as Gasoline Alley in Red Deer. I didn't quite comprehend all of the minister's remarks on that particular problem, but there are businesses located along that strip which are seriously disadvantaged and are looking for remediation and some kind of rejigging of the construction there so that people who are proceeding north along Highway 2 have readier access to those businesses and more easy access back onto the highway after they have serviced those particular businesses. Right now, as the minister knows – and I know he has seen the situation and is concerned – it is fairly difficult to get back onto the highway. It's quite an extension of narrow and small roads to get back onto the highway, so people experiencing that once: the next time they're driving north and coming by there, they're going to remember the difficulty in getting back on the highway. There will be the tendency for them to keep on going and to not pull in, thereby continuing to disadvantage those businesses. Again, whatever can be done there to address dollars towards that would certainly be appreciated.

THE CHAIRMAN: The hon. Minister of Transportation and Utilities in response.

DR. WEST: A few comments. I caught some of the end of the ring road discussion around Edmonton and that sort of thing, and I might take a few minutes and go on about the north-south corridor and how it impacts all the communities along that way, but I want to come back to where the last hon. member was talking about addiction.

We listened to AADAC when it made its presentations to the task force, and they said this to us: "Look; there is going to be a need down the road, but to lay out a sum of money just for the sake of saying there's \$10 million or there's a percentage of the fund, don't do that. It's like a lot of other programs. If you put up the money, we'll find the clients." They said, "We will study this and we will ask for certain sums of money as needed, as we develop programs, develop counseling, and identify the nature of the beast, and that's the amount of addiction that's out there."

You have to always worry that if you put up just a huge pot of money, there's an insatiable appetite for some people in the counseling business and that to create programs to spend it. One of the greatest programs for addiction that costs the government not one cent and has done more to help people with addictions is AA, and it has done it without one cent from the government. It's where people get together and talk to each other, identify one's problem, and admit it. One of the biggest problems with addiction is that the people won't admit it. You can put the signs up in front of a VLT. You can say: this will remove every cent you have, gambling is addictive, and if you play VLTs, you'll go broke. Once somebody's addicted, they can't help themselves until they admit to themselves and to their community, to their

friends, to their families, "Help me; I'm addicted." That's true about a lot of addictions, whether it's alcohol or whether it's an addiction to gambling at racetracks or whether it's an addiction to playing bridge.

11:20

I've known people that have smoked and played bridge to the point where they just about killed themselves. They played seven days a week. I remember I played contract bridge, and I lived in these blue rooms of smoke, and I watched. I played it for several years, once or twice a week sometimes, and I couldn't believe that people would sit seven days a week and then go off on the weekends to these huge contract bridge things and sit again. A lot of them – and I know this is a fact – had heart attacks. I know that people had strokes and heart attacks. The lifestyle was addicting, but it was bridge, and therefore it consumed every living hour of their life except for their job. They had a job, and then they'd play bridge.

Well, addiction takes many forms, and when somebody's addicted to gambling, the same percentage is addicted in other areas too. If you look at a cross section of 100 people, you'll get the same type of addictions showing up, whether it's alcohol or gambling or addiction to buying real estate. There are all types of ways you can lose your life. That addiction must be addressed by friends and community, and AADAC identifies that. But they said: "Don't give us a pot of money. We'll come to you." This budget has \$731,000 new money and \$1.8 million on an ongoing basis, and if they need more money, we have a special fund in here. On program 9 I said that there's \$9 million set in there, and as the year goes on if AADAC comes back and says, "Look, we've identified some good programs" – and you mentioned that these people must be qualified; they must prove that their program helps – then we'll give them more money. We'll make it available and bring it forward.

Anyway, I think that before we get, you know, too rambunctious, we have to understand the nature of the beast, this addiction. I think we'll have to study it at length and try to help people the best we can. I think there needs to be a lot of support programs. [interjections] These members want to debate. It's 20 after 11, and they want to get into the debate. Well, I think because of the hour and the looks I'm getting around the hall here, I should adjourn debate on my estimates.

THE CHAIRMAN: The hon. Minister of Transportation and Utilities has moved that we adjourn debate on the estimates this evening. All those in support of this motion, please say aye.

SOME HON. MEMBERS: Aye.

THE CHAIRMAN: Those opposed, please say no.

SOME HON. MEMBERS: No.

THE CHAIRMAN: Carried.

MR. DAY: Mr. Speaker, I move that progress be reported when the committee rises.

[Motion carried]

THE CHAIRMAN: Our next item of business is on the motion to strike subcommittees of the Committee of Supply.

1. Mr. Day moved on behalf of Mrs. Black:
Be it resolved that further consideration of the motion before the Committee of Supply regarding subcommittees shall be the first business of the committee and shall not be further postponed.

THE CHAIRMAN: Okay. The Government House Leader, then, has moved closure on consideration of the motion to strike subcommittees of the Committee of Supply, not debatable or amendable, Standing Order 21(1). All those in favour of the motion, please say aye.

SOME HON. MEMBERS: Aye.

THE CHAIRMAN: Opposed, please say no.

SOME HON. MEMBERS: No.

THE CHAIRMAN: Carried.

[Several members rose calling for a division. The division bell was rung at 11:26 p.m.]

[Ten minutes having elapsed, the committee divided]

For the motion:

Amery	Havelock	Pham
Brassard	Hierath	Renner
Cardinal	Hlady	Rostad
Clegg	Kowalski	Severtson
Day	Laing	Shariff
Doerksen	Langevin	Stelmach
Dunford	Mar	Taylor, L.
Evans	McClellan	Thurber
Fischer	McFarland	West
Friedel	Mirosh	Yankowsky
Fritz	Oberg	

Against the motion:

Abdurahman	Hanson	Sapers
Bracko	Henry	Sekulic
Bruseker	Hewes	Soetaert
Carlson	Kirkland	Taylor, N.
Collingwood	Leibovici	Vasseur
Dalla-Longa	Mitchell	Wickman
Decore	Nicol	Zariwny
Dickson	Percy	Zwozdesky
Germain		

Totals: For - 32 Against - 25

[Motion carried]

Subcommittees of Supply

Mr. Day moved:
Be it resolved that:

- Pursuant to Standing Order 57(1) four subcommittees of the Committee of Supply be established by the Committee of Supply with the following: subcommittee A, subcommittee B, subcommittee C, and subcommittee D.
- The membership of the respective subcommittees be as follows:

Subcommittee A: Mr. Clegg, chairman; Mr. Magnus, deputy chairman; Mr. Ady; Mrs. Burgener; Ms Carlson; Mr. Doerksen; Mr. Havelock; Mr. Henry; Mr. Hierath; Mr. Jacques; Mr. Jonson; Dr. Massey; Mr. Mitchell; Dr. Percy; Mr. Pham; Mr. Renner; Mr. Rostad; Mr. Sekulic; Mr. Wickman; and Mr. Zariwny.

Subcommittee B: Mr. Tannas, chairman; Ms Haley, deputy chairman; Mr. Amery; Mr. Brassard; Mr. Cardinal; Mr. Dickson; Mr. Evans; Mrs. Forsyth; Mr. Germain; Ms Hanson; Mrs. Hewes; Mrs. Laing; Mr. Mar; Dr. Oberg; Mr. Sapers; Mr. Shariff; Mrs. Soetaert; Mr. Yankowsky; Mr. Zariwny; and Mr. Zwozdesky.

Subcommittee C: Mr. Tannas, chairman; Mr. McFarland, deputy chairman; Mrs. Abdurahman; Mr. Beniuk; Mr. Bracko; Mr. Dickson; Mr. Dunford; Mr. Fischer; Mrs. Fritz; Mrs. Gordon; Mr. Kowalski; Dr. Nicol; Mr. Paszkowski; Mr. Severtson; Mr. Thurber; Mr. Trynchy; Mr. Vasseur; Dr. West; Mr. White; and Mr. Wickman.

Subcommittee D: Mr. Clegg, chairman; Ms Calahasen, deputy chairman; Mrs. Black; Mr. Bruseker; Mr. Chadi; Mr. Collingwood; Mr. Coutts; Mr. Dalla-Longa; Mr. Day; Mr. Friedel; Mr. Germain; Mr. Hlady; Mr. Kirkland; Mr. Langevin; Ms Leibovici; Mr. Lund; Mrs. Mirosh; Mr. Sekulic; Mr. Smith; and Dr. L. Taylor.

- The following portions of the main estimates of expenditure for the fiscal year ending March 31, 1997, unless previously designated by the Leader of the Opposition to be considered by the designated supply subcommittees, be referred to the subcommittees for their reports to the Committee of Supply as follows:

Subcommittee A: Advanced Education and Career Development; Education; Executive Council; Federal and Intergovernmental Affairs; and the Provincial Treasurer.

Subcommittee B: Community Development; Family and Social Services; Health; and Justice and the Attorney General.

Subcommittee C: Agriculture, Food and Rural Development; Municipal Affairs; Public Works, Supply and Services; and Transportation and Utilities.

Subcommittee D: Economic Development and Tourism; Energy; Environmental Protection; Labour; and science and research.

Mr. Day moved that the motion be amended by adding the following:

- When the Committee of Supply is called to consider the main estimates, it shall on the first six calendar days after agreement of the motion establishing the subcommittees, when main estimates are under consideration, resolve itself into two of the four subcommittees, both of which shall meet and report to the Committee of Supply.

[Adjourned debate February 27: Mr. Day]

THE CHAIRMAN: Hon. Member for Calgary-Buffalo, we are on the amendment. [interjection] Good. On the amendment.

MR. DICKSON: Thanks very much, Mr. Chairman. The other day when the Government House Leader had moved his amendment, he made a number of observations, and the one I specifically recall was that he hadn't heard a response. He said that there were unanswered assertions he had made that he'd not heard issue joined on. I want to spend a minute now and as briefly as I can address as specifically as I can each of the seven concerns that have been raised by this . . .

MR. DAY: A point of order, Mr. Chairman.

THE CHAIRMAN: The hon. Government House Leader is rising on a point of order.

**Point of Order
Relevance**

MR. DAY: The Member for Calgary-Buffalo has just said that he wants to address seven specific points which I had made. Those were related to the main motion, not the amendment, so I am looking forward to those in the debate on the actual motion.

But, Mr. Chairman, the amendment is very clear. It deals with the fact that contrary to what the opposition leader was saying, only two committees will be meeting concurrently, not four. It deals very specifically with that, and that is what his remarks must be consigned to.

THE CHAIRMAN: The hon. Member for Calgary-Buffalo on the purported point of order.

MR. DICKSON: Mr. Chairman, with respect, the short answer is that if you think I'm stretching the bounds of relevance, then on the merits that's an issue we deal with as and when. At this point the point of order is raised in anticipation. I'm speaking specifically to the amendment.

THE CHAIRMAN: Hon. member, then to the extent that the hon. Government House Leader may have been anticipating, the Chair was of the same worry, that your declaration was somewhat going back to the other. In any event, we have to hear whether or not you're going to stay with the amendment or whether you're going to stray back to the main motion.

On the amendment, hon. Member for Calgary-Buffalo.

11:40

Debate Continued

MR. DICKSON: Okay. Well, the first point to make is that if one looks at the text of the amendment, it's not a word; it's not two words. What's set out in the amendment is a major procedural innovation or change from what we have now. So I'm expecting that with your customary fairness, Mr. Chairman, you're going to allow me to deal with the merits in the gist of the amendment that's been introduced, but that also touches on sort of the context of it.

If I can get into the meat of it, Mr. Chairman, I would start by saying, firstly, that there's been a suggestion made that this is a question that the opposition hasn't offered constructive ideas in terms of how to streamline the budget process. When I look at this amendment, you know, it seems to me the government has missed the point that this party had made and these members had made, going back to the 1993 election. We wanted committees, yes, but committees that were going to work, committees that were going to provide a kind of scrutiny that isn't possible under this amendment. What we envisaged and what had been proposed, going back to I think as early as December of 1993, was to set up committees that would review the budget. They would be all-party committees. They would start meeting in the summer of the last year before the budget was introduced. The subcommittees would have some powers. They would have the power to call deputy ministers, be able to call senior people in a department to get answers to questions. You'd be able to get input into the budget process at least a half year before the budget is submitted in this place. We've always said that if that were to happen, we'd

be able to substantially reduce the time that has to be spent in the spring session.

The second point I wanted to make was that the minister in introducing this says that there will be no less debate. But, you know, if you look at the amendment, Mr. Chairman, if you look at the four corners of the amendment, what you find is this: on any qualitative assessment, we see that there is going to be less meaningful debate. The reason is that you still have the 20-day limit set out in Standing Order 58(1).

The third point I wanted to raise is that the Government House Leader said that he believes that our objection to this amendment is founded on the fact that we may be done out of some question periods. Well, I want to disassociate myself from any suggestion that the stand we're making is based because we want additional question periods. I want meaningful scrutiny of the most important thing that this Legislature does, the budget. We can't have it if this amendment passes.

The next point I wanted to raise was that it's been suggested that this process of subcommittees, the two subcommittees, is something that had in fact been suggested by the Liberal caucus. Now, this is the biggest heresy we've heard, because if one looks back at *Hansard* from April 9, 1991, we see that, yes, it was fair for the government to point out that the former Member for Calgary-Buffalo had moved a motion to create some subcommittees of supply, but two things the hon. Government House Leader neglected to mention. The first one was that the government defeated it, and all of these members who were part of the cabinet and part of the Legislature in 1991 voted against the proposal. The second point . . .

MR. SHARIFF: A point of order.

THE CHAIRMAN: The hon. Member for Calgary-McCall is rising on a point of order.

**Point of Order
Clarification**

MR. SHARIFF: Mr. Chairman, an allegation is being made that all of these members voted against it. I wasn't here in 1991.

THE CHAIRMAN: Okay. Point of clarification, hon. Member for Calgary-Buffalo.

Debate Continued

MR. DICKSON: Well, in view of the fact that there seems to be some confusion over who was here and who voted, let me read out the names that appear from the voting record. I'm going to refer to surnames. I refer to surnames because I want to literally read in from the provision: Mr. Ady, Mrs. Black, Mr. Brassard, Ms Calahasen, Mr. Cardinal. [interjections] I'm trying to be literal, Mr. Chairman. Mr. Clegg, Mr. Day, Mr. Evans, Mr. Fischer, Mr. Lund, Mrs. Mirosh, Mr. Paszkowski, Mr. Thurber.

Now, the second thing that the government members chose not to mention is that in 1991 in April, when that was introduced, it was a package proposal. The first part was to create subcommittees, but the second part appears when the former colleague for Calgary-McKnight, Mrs. Gagnon, indicated at page 406 that what was wanted – and she moved a motion to this effect. It was part of the package. Calgary-Buffalo advanced part of it. The other part of it was this:

Be it resolved that upon the request of any three members, the Committee of Supply order a warrant summoning the deputy minister or any employee of the department it considers necessary

to consider the estimates of that department and that deputy minister or employee attending the committee provide such documents and information as requested by any member.

So what we had was a package for meaningful reform of the budget process. Part of it was to set up subcommittees; the other leg was to have the power to summon witnesses. Why is it that the government selectively cherry picks? They use one part, and they chose not to mention the other part because it doesn't fit their theme.

Now, the other thing that had been suggested was that there's no change from past practice. This is one of the most startling assertions. We had the Speaker of this Assembly deal with that as recently as February 26, 1996, and this is what he said about past practice. I'll just read in the words here.

It was suggested that as the provisions of the Standing Orders concerning subcommittees have not been used for some time, they have fallen into disuse.

Well, it is true that subcommittees of supply have not been established since 1979. Here you have a determination from the senior person in this Assembly that this is nothing that's happened since 1979. So why would the hon. Government House Leader come forward now and pass this off as something that's part of the standard practice when in fact that's not the case at all?

The final point I'd want to raise is that there's always this issue of response to questions, and this continues to be a problem with the reform that's been introduced. There's still no assurance that we're going to get responses. And you know what's interesting on this, speaking to the amendment, Mr. Chairman? I look back and I see what Mrs. Gagnon, the former member for Calgary-McKnight, had said. These are her words at page 406.

I get up during debate on budgets, I ask questions, and sometimes the answers are not forthcoming until long after the budget has been voted on.

You know, that's still the problem we've got, and that's not addressed in this amendment. Isn't that the single biggest issue? The Government House Leader talks about debate. Debate surely means that you get responses when legitimate questions are asked in good faith. You get concrete, substantive, focused responses to them. That hasn't happened. It didn't happen in 1991. It's still not happening in 1996, and it's not being addressed in this amendment.

THE CHAIRMAN: Hon. Government House Leader, are you taking your place?

MR. DAY: On the amendment, Mr. Chairman, we would call the question.

11:50

THE CHAIRMAN: Okay. All those in support of the amendment A1, which you all have before you and which was moved by the hon. Government House Leader, please say aye.

SOME HON. MEMBERS: Aye.

THE CHAIRMAN: Opposed, please say no.

SOME HON. MEMBERS: No.

THE CHAIRMAN: Call in the members.

[Several members rose calling for a division. The division bell was rung at 11:51 p.m.]

[Ten minutes having elapsed, the committee divided]

For the motion:

Amery	Havelock	Pham
Brassard	Hierath	Renner
Cardinal	Hlady	Rostad
Clegg	Kowalski	Severtson
Day	Laing	Shariff
Doerksen	Langevin	Stelmach
Dunford	Mar	Taylor, L.
Evans	McClellan	Thurber
Fischer	McFarland	West
Friedel	Mirosh	Yankowsky
Fritz	Oberg	

Against the motion:

Abdurahman	Hanson	Sapers
Bracko	Henry	Sekulic
Bruseker	Hewes	Soetaert
Carlson	Kirkland	Taylor, N.
Collingwood	Leibovici	Vasseur
Dalla-Longa	Mitchell	Wickman
Decore	Nicol	Zariwny
Dickson	Percy	Zwozdesky
Germain		

Totals: For – 32 Against – 25

[Motion on amendment A1 carried]

THE CHAIRMAN: Due notice having been given by the hon. Deputy Government House Leader under Standing Order 21 and pursuant to the motion agreed to this evening under Standing Order 21(2), which states that all questions must be decided in order to conclude debate, I must now put the following question. I see that there are people standing. However, hon. member, no one may speak after this. "No member shall rise to speak after that hour."

There are several things that are going to occur now. We are going to have a vote now. It is by our Standing Orders. Then the committee rises and reports, and any additional things that may occur will occur in Assembly.

We now have the question on the motion moved by the hon. Government House Leader on the motion as amended. All those in favour, please say aye.

SOME HON. MEMBERS: Aye.

THE CHAIRMAN: Those opposed, please say no.

SOME HON. MEMBERS: No.

THE CHAIRMAN: Carried.

[Several members rose calling for a division. The division bell was rung at 12:07 a.m.]

[Ten minutes having elapsed, the committee divided]

For the motion:

Amery	Havelock	Pham
Brassard	Hierath	Renner

Cardinal	Hlady	Rostad	Collingwood	Leibovici	Vasseur
Clegg	Kowalski	Severtson	Dalla-Longa	Mitchell	Wickman
Day	Laing	Shariff	Decore	Nicol	Zariwny
Doerksen	Langevin	Stelmach	Dickson	Percy	Zwozdesky
Dunford	Mar	Taylor, L.	Germain		
Evans	McClellan	Thurber			
Fischer	McFarland	West	Totals:	For - 32	Against - 25
Friedel	Mirosh	Yankowsky			
Fritz	Oberg				

[Motion carried]

Against the motion:

Abdurahman	Hanson	Sapers
Bracko	Henry	Sekulic
Bruseker	Hewes	Soetaert
Carlson	Kirkland	Taylor, N.
Collingwood	Leibovici	Vasseur
Dalla-Longa	Mitchell	Wickman
Decore	Nicol	Zariwny
Dickson	Percy	Zwozdesky
Germain		
Totals:	For - 32	Against - 25

[Motion as amended carried]

12:20

MR. DAY: Mr. Chairman, I move that the committee rise and report.

THE CHAIRMAN: The hon. Government House Leader has moved that the committee do now rise and report. All those in favour, please say aye.

SOME HON. MEMBERS: Aye.

THE CHAIRMAN: Those opposed, please say no.

SOME HON. MEMBERS: No.

[Several members rose calling for a division. The division bell was rung at 12:22 a.m.]

[Ten minutes having elapsed, the committee divided]

For the motion:

Amery	Havelock	Pham
Brassard	Hierath	Renner
Cardinal	Hlady	Rostad
Clegg	Kowalski	Severtson
Day	Laing	Shariff
Doerksen	Langevin	Stelmach
Dunford	Mar	Taylor, L.
Evans	McClellan	Thurber
Fischer	McFarland	West
Friedel	Mirosh	Yankowsky
Fritz	Oberg	

Against the motion:

Abdurahman	Hanson	Sapers
Bracko	Henry	Sekulic
Bruseker	Hewes	Soetaert
Carlson	Kirkland	Taylor, N.

[The Deputy Speaker in the Chair]

THE DEPUTY SPEAKER: The hon. Member for Dunvegan.

MR. CLEGG: Thank you, Mr. Speaker. The Committee of Supply has had under consideration certain resolutions of the Department of Transportation and Utilities.

I would like to table copies of documents tabled during Committee of Supply this day for the official records of the Assembly.

The Committee of Supply has also had under consideration a motion proposing the establishment of four subdivisions of the Committee of Supply, reports approval thereof, and requests leave to sit again.

I would like to table a copy of this resolution for the official records of the Assembly.

THE DEPUTY SPEAKER: Does the Assembly concur in this report?

SOME HON. MEMBERS: Agreed.

THE DEPUTY SPEAKER: Opposed?

SOME HON. MEMBERS: No.

THE DEPUTY SPEAKER: So ordered.

The hon. Member for Calgary-Buffalo.

Privilege

Freedom of Speech

MR. DICKSON: Thanks very much, Mr. Speaker. At this point I wanted to rise under Standing Order 15(1) and (5) and give notice of a claim of breach of privilege. Now, I provided a copy of a written notice and a attachment both to the hon. Government House Leader and to you, sir, although I'm relying primarily on sub (5), which doesn't require written notice.

In dealing with this, I am relying on privilege in the broadest sense as described on page 13 of *Parliamentary Privilege in Canada*, Maingot's text, where he indicates – and I'll paraphrase – that it's an improper obstruction to this member in performing my parliamentary work in either a direct or a constructive way as opposed to mere expression of public opinion or criticisms or the activities of this member.

The two most basic freedoms. The first most basic freedom any member has is freedom of speech, which is referred to in *Beauchesne* at page 22, article 75, and I quote:

The privilege of freedom of speech is both the least questioned and the most fundamental right of the Member of Parliament on the floor of the House and in committee. It is primarily guaranteed in the British Bill of Rights which declared "that the freedom of speech and debates or proceedings in Parliament ought not to be impeached or questioned in any court or place outside of Parliament".

Now, just by way of background, before I proceed further, I'd like to take a moment and make it clear that what I'm doing is something very separate than what was done on Monday last, when there was a question before the Speaker which related to an earlier point in the proceeding. In anticipation I can save some time if I deal with that right now.

On February 26 the Leader of the Opposition raised an issue, with respect, claiming contempt constituted by the decision of the Government House Leader who introduced the motion that's been dealt with earlier this evening. On page 223 of *Hansard* the Speaker ruled on Monday that there was no prima facie case of contempt. That was the ruling at that point.

Now, the Speaker also made some reference to privilege in the course of his decision on page 223, but clearly that's obiter or gratuitous comment because there was no claim of privilege before him on February 26. In fact, I want to specifically draw the attention of the Speaker to page 208 in *Hansard*, where the hon. opposition leader said, "We have determined to proceed with a point of order which is calling for a contempt application." The Speaker dealt with the narrow issue and could only deal with the narrow issue in front of him, which was whether there was a contempt of the Legislature. I'm standing in my place claiming that my privilege as the Member for Calgary for Calgary-Buffalo has been breached, so it's a very different issue. So we're focusing on infringement of my freedom of speech, also freedom from interference, which is described on page 25 of *Beauchesne*.

Now, I'd want to make this point, that not only am I raising expressly a breach of privilege, but in doing so, I'm relying on a number of things, things that were not before the Speaker when he made his ruling on Monday last on the issue of contempt. What I'm relying on is not only the motion that's been passed earlier this evening but the cumulative effect of that instrument with the schedule circulated by the Government House Leader dated February 27, 1996. I think, Mr. Speaker, you've been provided with a copy of that schedule. In fairness, I think it was a two-page document. I think there was a letter on one side and on the flip side the schedule. I only have with me the schedule, which I think is the relevant part, but I want to alert you, sir, that it's an incomplete part of a document, and if somebody takes issue with that, they can I'm sure provide you with the other side.

12:40

Now, it's my respectful submission, Mr. Speaker, that my right as an MLA and my obligation indeed require that I have the right to be present during any debates on estimates, votes on estimates either in Committee of Supply and that I cannot be deprived of same without express and unambiguous words to do so.

Now, it may be argued that Standing Orders allow for not just designated subcommittees but other subcommittees, and the Speaker made note of that on Monday last. But the issue here is the fact that committees can sit concurrently. These aren't committees dealing with consideration of a Bill or committees looking at law and regulations. It deals with the single most important function that any member can ever serve, and that's to have input and give advice and ask questions about the budget. It's the budget that drives everything else. It drives the government's agenda, and it drives all other elements in terms of what we do in this Chamber.

Mr. Speaker, you can find a contrary provision, but the Standing Orders clearly do not expressly authorize two concurrent subcommittees of supply to sit at the same time. That's the point. In fact, the motion itself that was being passed earlier this evening doesn't expressly provide that, but that's unquestionably the effect

of the memo dated February 27, 1995. It may be fine for the Government House Leader to say in theory that as a member for the 38,000 people who live in downtown Calgary, if I don't attend one of these subcommittees and I don't get a crack at the minister by asking questions at that time, I can come into the House later when we're back into the big Committee of Supply and the subcommittee reports. But you know, here's the problem. Because Standing Order 58(1) fixes a 20-day limit to deal with that, we know in practice exactly what's going to happen.

I go back to the quote I'd mentioned before from Maingot where he talks about – the actual words he used were a "direct or constructive" kind of encroachment or infringement of my right. If it's not express, it sure as heck is a constructive encroachment, because what happens is that when I come back into the large Committee of Supply and the subcommittee reports, I'm going to get sandwiched between this deadline we have to deal with these things and a Government House Leader who I anticipate is going to stand in his place and say: "Aw, the subcommittee has met for umpteen hours; they've dealt with it. We don't have time for you, Member for Calgary-Buffalo, to raise concerns," the concerns that I feel I have a responsibility to raise. So we have a very practical and constructive limit.

Now, I've got no doubt that the government will take steps to restrict debate at that point when we go back in, and they're going to rely on the subcommittee work. In fact, one might ask: what other purpose would there be in the subcommittee if the government didn't think they were abridging the time that we would spend as a whole in Committee of Supply dealing with these matters? I mean, there's no other point. So if you follow the reasoning, what flows from that is that my rights as an individual member are being compromised for, if you will, some efficiencies of the collective.

I'd be prepared to acknowledge that maybe the House has the power to do that, because the House is sovereign in terms of its own rules, but I respectfully suggest that they can only do so with clear and unambiguous language. In other words, there would have to be an express standing order that says that two or more subcommittees can meet concurrently. That does not appear anywhere. In fact, the only place it appears is in the schedule that's been published by the Government House Leader. So that's the issue we've got. That's the problem.

Now, if we look at the schedule that I've passed on to you, sir, you will see that on February 29 in the afternoon Public Works, Supply and Services is in committee C. There's another committee meeting at the same time dealing with Economic Development and Tourism, Labour, and Energy. Now, my difficulty is that among the 38,000 people I represent, there are people who very much have concerns in terms of Economic Development and Tourism. That's a very big issue in downtown Calgary. In terms of Energy, virtually every major energy company in this province has an office in Calgary-Buffalo, and I get input from those people in terms of things that they want to see raised. [interjection] Well, I take that responsibility seriously, and I think that's what I'm here for. I wouldn't sit in judgment on any other member's view of what things they want to speak on and what things they want to be part of, but I'd ask them also to respect my right and my obligation to appear at those committees that I think serve my constituents' interests.

Public Works, Supply and Services I have a particular interest in because it deals with freedom of information. At the same time, we've got a thing going on with Economic Development and Tourism, Labour, and Energy. So what we've got is the situation

that I can't be in both places at the same time. To somebody who says, "Well, you can run in halfway through and you can ask your question," there may be some members who think that that's discharging their responsibility. I don't think that's fair to a minister after the minister has made a presentation, responded to questions, as we've had happen this evening, for somebody then to come rushing in at the last minute and repeat the same question or simply waste the minister's time or the committee's time. It's disrespectful to the committee, and it's disrespectful of the committee's time.

My hope, Mr. Speaker, by standing and raising this thing now is that we may be able to head off a whole lot of issues that are going to come up in the subcommittees. This seems to me like a fair way and an effective way to try and deal with those things at the front end, instead of dealing with the consequences down the road.

I guess the other concern – and I'm prepared to stand on my record. I've asked questions in each of these areas, and I've mentioned the conflict I'm going to have February 29. That's going to recur at other times, so I think that's key.

One other authority I'd want to cite to you, and that's from *Beauchesne's* article 77. It says:

Freedom of speech does not mean that Members have an unlimited or unrestrained right to speak on every issue. The rules of the House impose limits on the participation of Members and it is the duty of the Speaker to restrain those who abuse the rules.

That was a passage that was referred to by the Speaker in his ruling on Monday, and I'm mindful of that as I make this application. But if you accept the proposition in both *Beauchesne* and Maingot that the most fundamental freedom and privilege we have is the freedom to speak and to be involved in the parliamentary process, then I'd expect you would agree with me, Mr. Speaker, that in the absence of that clear and unambiguous language, I can't be deprived of the right to be in any committee or subcommittee of supply. That can only happen if there is not more than one subcommittee running at the same time.

12:50

So those are my concerns, Mr. Speaker. I just say again that this is not on behalf of the Legislature; it's not even on behalf of my own caucus. I'm making this as an individual MLA and ask for you to consider it in that context rather than what was dealt with, which I submit was a very different and distinguishable application, on Monday last.

Thanks very much for your patience.

THE DEPUTY SPEAKER: The Chair would note that I have received at least one written notification that on the next available day the hon. Member for Fort McMurray will make a similar but I'm sure eloquent question of privilege on his own behalf.

The Chair would say that in light of the fact that it is now well past the witching hour, anyone can take advantage of Standing Order 15(2) and go about bringing their notice of privilege tomorrow. We really don't need any further privilege requests this evening. Then on the one that's already been addressed, that would be dealt with tomorrow.

[At 12:52 a.m. on Thursday the Assembly adjourned to 1:30 p.m.]

