

Legislative Assembly of Alberta

Title: **Tuesday, November 21, 2000**

8:00 p.m.

Date: 00/11/21

[Mrs. Gordon in the chair]

THE ACTING SPEAKER: Please be seated.

head: Government Bills and Orders

head: Second Reading

Bill 20

Justice Statutes Amendment Act, 2000

[Debate adjourned November 21: Dr. Nicol speaking]

THE ACTING SPEAKER: The leader of the ND opposition, the hon. Member for Edmonton-Strathcona.

DR. PANNU: Thank you, Madam Speaker. I would like to take this opportunity to speak on Bill 20 in its second reading. This bill is extensive and complex. The Justice Statutes Amendment Act attempts to amend four different, complex statutes. It's divided into four parts. The first part deals with, of course, the amendments to the Provincial Court Act. The second part deals with Surrogate Court matters. Part 3 deals with the Provincial Offences Procedure Act, and the last part is sort of miscellaneous other amendments.

It's a bill that covers a whole lot of very complex existing statutes and acts and attempts to change them, I presume, to modernize these acts to some extent, to make changes in them so that the technologies that may be available now to courts and the judicial system can be used in the court procedures. So one of its intentions seems to be to sort of modernize the existing statutes, and I suppose it's also supposed to make our justice system and judicial system accessible to Albertans, more accessible than it might have been up to this point.

The justice system is an extremely important and significant aspect of modern democratic societies and democratic governments. It's important because it provides legitimacy and credibility to the decisions made by institutions, such as the one in which I stand, that make laws. The laws of course have to be enforced and implemented and interpreted, and the judicial system and the judiciary play a very important role in then mediating the relationship between citizens who may find themselves in conflict with laws or in trouble with the existing laws, which are represented by state institutions, and themselves as individuals.

So the justice system is an extremely important element of our democratic governance, the three branches of government being the legislative, the executive, and the judiciary. Each has its own degree of autonomy, independence, and at the same time they are inter-linked. The job of the justice system and the judicial system is to deliver justice to citizens while maintaining the integrity of the state institutions and its laws.

The act, as I said, is very, very broad ranging, and not being a lawyer, I find, obviously, dealing with this act somewhat challenging because of its legal technicalities and the procedural complexity that are associated with the judicial system. Nevertheless, there are some general principles, I guess. As I said, one of them is accessibility. The system of justice, for it to be one that has the support of citizens, must be accessible to them. It must be open. It must be seen to be just. It must be affordable. So in my comments I'm trying to see if some of these principles, some of these basic expectations of a good judicial system are reflected and embodied in the amendments that are being proposed here.

I'll start with the very last part of this act, which is part 4, Other Amendments. The one that I find most important here is the one on page 38 which deals with the recovery of damages. I'm starting with this because I received a call in my office from Medicine Hat the other day, and the caller expressed some concerns about the manner in which this recovery of damages section of this proposed bill will limit the damages that can be pursued through the courts by members of the family of the deceased. So there is clearly a concern there among ordinary Albertans about how this bill might in fact make justice perhaps somewhat less accessible to them, what they see as just to be less accessible if this part of the bill is passed.

Similarly, going back to part 3, which deals with the Provincial Offences Procedure Act, the part of the bill that appears on pages 36 and 37 in particular, which deals with the use of third parties to collect fines and money owed from ticket violations and what have you, this is a sort of arrangement whereby, I guess, private registries will be allowed or empowered to receive these moneys on behalf of the court.

8:10

In addition to some of the comments I've made on it, which pertain to the privacy issues that this arrangement raises, there's also, of course, the question of some service charges that these collection agencies may be able to levy on people who go there to pay the fines related to ticket offences and whatnot. These service charges, at least from my reading of the bill – the scale of it, the amount of it, how much it will cost on top of the fine that is to be paid – is a matter that seems to be left to be dealt with or negotiated, say, between the person who's going to pay the fine and the collecting agency. So it's another area where I hope the Minister of Justice will be able to answer some of these questions as to why it is that this arrangement is necessary, how it will make the justice system more accessible, how it will add to the convenience of Albertans in their ability to pay the fines at locations where they may be across this province.

Particularly, I guess, those who possibly live in big cities can avoid going to the registries and certainly can go to the courts and pay directly without therefore having to also pay on top of the fine a service charge that we would owe if we were to use a local private registry. In small communities, away from big cities, where citizens are already at some degree of disadvantage in their access to the courts because of distance and the expenses that they have to undertake in order to seek justice when they find themselves having to go to court, they are the ones that will be using these registries and will be liable to these service charge payments, which I think is unfair. I think it makes access to justice more difficult for them. It makes it more expensive for them. It adds to the already existing geographically generated disadvantage to them. So that's part of the proposed bill that I again find not addressing in principle the question of accessibility, affordability, and convenience to Albertans. This was the section under the Provincial Offences Procedure Act that I was commenting on.

One of the other sections of the act that I would like to just briefly comment on – the Survival of Actions Act part is the one that I guess I already referred to. That certainly is a matter that was brought to our attention by some citizens, and I would certainly like the minister to address that perhaps in the House to see whether or not the concerns that have been expressed to us can be allayed by his explanations.

The first part of the act deals with, of course, the Provincial Court Act. There the section that caught my attention – and I must say that I haven't had the opportunity to study thoroughly every part or section of this proposed bill – is the one that falls under Provincial

Court judges. I guess, again, one of the principles that I'm trying to see if it's addressed, if it's respected, if it's observed in the development of these amendments to the existing statutes, is the independence of the judiciary, which, as we all know and we all agree, is one of the fundamental principles of a good judicial system like the one that we do have. So any changes that we make to the Provincial Court Act, particularly changes that may affect Provincial Court judges and their independence, are the changes that I think must be most closely scrutinized by this House.

I'm curious about the changes that are being proposed on pages 3 and 4. I'm sure the minister would like to address those, to provide us with some explanation as to whether the changes proposed here indeed bolster or reinforce the principle of judicial independence, not only by way of independence of the judiciary vis-a-vis the executive or the Legislature but the independence of the judges within the administrative system of the judiciary itself. From my reading of this section, I get the feeling that the powers of the Chief Judge as written up here would seem to make that power so great, so central to the court system that individual judges might find that in the exercise of their best judgment they either have to risk their independence or autonomy or risk earning the wrath of their superior judges in the judicial system.

I'm using my words very carefully here because I don't by any means want to convey to the House and to members in the House the sense that there's something seriously wrong being done here. I'm raising some questions here which I think must be answered, must be addressed by all of us in all seriousness in order to make sure that this principle of judicial independence, both inside the judicial system and in relations between the judicial system on one hand and the other bodies of the government on the other, is preserved, is respected and, if possible, further strengthened. The independence of the judiciary is absolutely critical to the integrity of the system, to the credibility of the system of justice, and to the ability of citizens to have faith that the system works for them, that it is there for them and is there to serve their collective interests.

On page 4, section 21.1(7):

Where the chief judge makes any decision or takes any action with respect to a matter referred to in subsection (5) or (6) or any other matter relating to the administration of the Court, that decision or action is not subject to any type of judicial review by a superior court unless that decision or action is, in the opinion of a superior court, patently unreasonable or not within the powers, duties or jurisdiction of the chief judge.

I wish I could recall the details of a recent case in which a judge challenged, in fact, the decision of the Chief Judge in this province and was able to, I guess, persuade the court that his concerns and his objections were genuine and serious, and the court took them into account. Now, I wonder if this change that's being proposed here will in fact make it difficult for another judge in a similar situation tomorrow or once this bill is passed and proclaimed to be able to seek redress to a decision that he or she might consider to be patently wrong. So I have concerns about the amendments proposed here along those lines, and I would like the Minister of Justice later on perhaps to address some of these concerns and assure me and the House that the proposed changes will in fact not lead to what I fear will be the consequences if these amendments are approved by the House.

8:20

I guess these are my general concerns about this. Other than that, I think the bill seems to have certainly been carefully crafted. Much of it merits our support. It's a good bill, and the minister is to be commended, I guess, for the work that he and his staff have done and the care that they've shown in drafting the various amendments,

but there are some sections of it which I find have raised some questions and which I find potentially troubling.

So with those comments, Madam Speaker, I will close my remarks. Thank you.

THE ACTING SPEAKER: The hon. Member for Edmonton-Mill Woods.

DR. MASSEY: Thank you, Madam Speaker. I'm pleased to make some short comments this evening in support of Bill 20, the Justice Statutes Amendment Act, 2000. The court system, of course, is of vital interest to all citizens, and you just have to witness the heat around the debate over the last number of years on the Young Offenders Act and those claiming that it's too lenient and those claiming that it's too harsh to get a bit of a feel for the passion with which citizens in our country approach the justice system.

In this Legislature we've had private members' bills that would have made changes to the justice system. One was to elect judges. So the justice system is a source of constant comment, criticism, and renewal, and I view the bill before us as part of that renewal.

Having said that there's a great deal of citizen interest in justice matters, I did put out a householder four weeks ago now, and in that householder I listed all the bills that were before the Assembly during the 24th Legislature and a brief summary of those bills. On this particular bill I received only one phone call. That phone call really wasn't about the bill; it was to bad-mouth lawyers. So I'm not sure, at least in my part of Alberta, that that interest is quite as strong as I thought it was.

I think the principles that underlie the bill and that we're to be addressing at this stage in discussion are principles that, of course, surround the administration of law and the means by which law is applied. It's those general principles that are being modified in the bill. Then there seems to be a set of subprinciples. I think most speakers who have spoken to the bill agree, too, that the justice system has to be made more user friendly and that the system has to be more accessible. I think that those guiding principles are sound and ones worthy of support and are reflected in the legislation with the specifics of the bill.

I also noted that the impetus for the change came out of the justice summit that was held. I guess I'm pleased to see that that was the root of these changes. The number of summits that were held in the last five or six years and the amount of direct legislation that came out of those summits I think is rather small, so it's good to see before us action being taken by the government that is a direct outgrowth of that justice summit.

Commenting on accessibility, I think it's something that we all run into in our positions as MLAs. I have a group of condo owners who look at the justice system with some dismay in terms of it helping them to resolve the current problems they face. Part of that surrounds the whole notion of accessibility and being user friendly. They feel removed from the system, and they are more than skeptical that the relief they seek can be found in the system or, at least if it is going to be found in the system, that it's going to be a very lengthy and protracted process. I think they'll take heart at some of the changes that are embodied in this particular bill.

The extent of the justice system in the province was a surprise to me. I knew generally about the justice system, but I didn't realize that there were Provincial Court locations in 74 communities across the province and that 23 of these are run on a full-time basis while the other 51 sit on specified days – it's much more extensive than I'd believed it to be – and that there are 106 Provincial Court judges. That's a substantial body.

Some of the changes are designed to enhance the role of those 106

Provincial Court judges and the ability of those courts to deal directly with breaches of its orders as a court. They'll be able to deal with items like tenancy agreements, they'll be able to order the return of property, and they'll be able to conduct payment hearings in civil matters. I think this is going to be important. They increased the limit for Provincial Court civil matters, and that makes sense.

One of the innovations in the changes proposed is that it enshrines the civil claims mediation process and the pretrial conference process in law. That was a pilot that was undertaken in 1998 and '99 and was a great success. I think the record, if the minister's information is as we have received it, is that they handled 1,074 mediations in 1999 with an average success rate of close to 70 percent. That's a very impressive record, and to be able to incorporate that process that brings people together and seeks to come to a solution through mediation into the act, I think, is very sound indeed. I think that if you put that in context with the fact that in 1998-99 there were 28,865 actions filed in the Provincial Court of Alberta, you start to get a feeling for the significance or the kind of impact that that mediation process can have on the justice system.

Madam Speaker, I'm not sure that I have a lot more to say. I appreciated the comparison chart that the minister provided us. I understand that section 74, which has been rather controversial, is going to be amended by the government before we finish dealing with this bill. I think it's supported by a number of individuals and groups that that should be removed, although I notice that the minister's comment was that it was really a misinterpretation that led to the difficulty being raised with that section. Nevertheless, I think it's appropriate that it not be part of this bill.

With those few comments, Madam Speaker, I'm pleased to support the Justice Statutes Amendment Act. Thank you.

8:30

THE ACTING SPEAKER: The hon. Member for Edmonton-Manning.

MR. GIBBONS: Thank you, Madam Speaker. It's a pleasure, standing in this Assembly on the eve of the upcoming election, to enter into the debate on second reading of Bill 20, Justice Statutes Amendment Act, 2000.

As the Minister of Justice has illustrated and voiced his keen interest in getting this bill through, I do wonder if Bill 20 is his only hiccup in holding his members in this Assembly. You know, Madam Speaker, the Minister of Justice has put forward some competent ideas in this bill, but as so often is the case, it makes it so difficult for members of the opposition, who truly want to see the best things coming out of this Assembly, to show Albertans why we're here, because we work for them as the elected people of this province.

The bill that we see put forward has actually got some substantial information in it. Under the different things that we look at, I'm wondering: could we not ask the Minister of Government Services and her department whether or not the questions have any parallels with her department? It was about a year ago when some of the difficulties with private registries came out and it was discovered that there were breaches in privacy and confidentiality. There were also some suggestions in the minister's department at the time that there was not a uniform pricing, which then had to be enforced through pricing changes, to do with the services that were provided by the registries. Was Bill 20 derived from this actual concern? I do wonder about some of the things.

You know, when we look at other things, it's interesting to hear that the provincial Minister of Justice made some comments about how reorganization of the Provincial Court will erode the expertise

that has been created within the Alberta youth courts. To make sure that we are still going to be able to do the best for both the accused and of course their victims and make sure not just that the court process is as efficient as it can be but that the outcome is as just as it can be, I haven't heard from the government anything that would make my level of caution or concern go down.

Madam Speaker, Bill 20 has contradictions. We see first of all that one of the most controversial sections, the one that deals with the limitations of claim for survivors, may or may not be amended in ways that may address the concerns put forward by the Official Opposition and by the members of the legal community. We also have sections that reorganize the Provincial Court in some ways that are helpful but in other ways could be very problematic. I also understand, going through and perusing *Hansard*, that at this stage there have been some changes already in section 74, so that type of item is very well received. I think the legal community will be looking at that with great interest.

I think it's very critical at this time that we do look at this particular bill, particularly when we look at our judicial system. It is an area in our society today where there isn't much confidence, certainly not as much confidence as we'd like there to be.

I look at this especially from the point of view of many constituents of Edmonton-Manning, many of whom have accessed the judicial system, whether it's been family court, whether it's been divorce court or, in some cases, other matters dealing with courts. As they come into the constituency office and voice their concerns to me, they state that it's the expense on their part, that the system's too complicated, and accessibility is always a problem as they present their case to me. They're concerned around the unified family court system. The question that must be asked in our law system is that it's becoming too expensive. The major concerns are certainly the long waits, accessibility, and the cost. This not only impacts them in what happens, but certainly these costs they experience are costs that many of them cannot afford.

A question that has come to mind is: how many more judges will be required? We have an excellent opportunity here; we could increase the ratio of judges male to female. So what I'd also like to know from the minister is what estimates he would have indicating how much more it's going to cost for staff, not only for judges but for additional staff that will be required by those courts.

In looking at the review of Bill 20, the Justice Statutes Amendment Act, 2000, I think it is an excellent suggestion that the Provincial Court will no longer be divided into the criminal division, the youth division, the family division, and the civil division. This consolidation will certainly be of benefit to all.

Another excellent suggestion here is that the Lieutenant Governor will be able to make regulations outlining situations in which the court fees can be waived. An excellent suggestion, because under the present system many of our people of low income or who are caught in a social safety net don't feel that the courts are accessible to them. So with the waiving of the fees, Madam Speaker, this will be an opportunity where these people will see that the courts are accessible and that they're participants in a system where there's fairness, where there's accountability, and where Albertans are treated fairly by a system not because of how much money they have and what they can afford but because of what is right and what is wrong.

You know, in looking at correspondence that has been sent to us – it was pointed out while I was perusing the bill – the Lieutenant Governor in Council will be able to make regulations allowing a claim of up to \$25,000 to be heard in the Provincial Court. The current system is \$10,000, although the regulation is currently set at \$7,500. The Lieutenant Governor in Council will be able to make

regulations governing payment hearings. These payment hearings are for the purpose of determining a person's ability to pay the money owing under the judgment in the court by an estimate schedule and other methods under which the amount owing is to be paid.

The Lieutenant Governor in Council will be able to make regulations with respect to pretrial conferences and mediation. The clerk of the Provincial Court will determine which matters must go through the process of a pretrial conference prior to proceeding to trial, and the powers of the pretrial conference are set out in Bill 20. Now, this can be "giving directions with respect to matters raised or otherwise considered during pre-trial conference" or "setting out the results of the pre-trial conference." This can be done by "amending pleadings" and "striking out pleadings by reason of the failure of a party to attend a pre-trial conference" or other directions the court considers appropriate.

You know, as we look at this bill, it has a lot of substantive effects as opposed to being merely a housekeeping bill. As I mentioned before, it has substantive importance to the minister. I know that my House leader says that I can speak for 30 minutes, and by prolonging this, maybe we can get another couple of weeks of question period out of this, Madam Speaker. But I do want to set out the main points of this bill and that I am for the bill.

I would like to say, in saying that I will be backing this bill, Madam Speaker, that the main highlights that are really making this bill worth while are that it consolidates the Provincial Court Judges Act into the Provincial Court Act, repeals the Surrogate Court Act, expands the jurisdiction of the Provincial Court to encompass matters that previously could only be brought before the Court of Queen's Bench but can now be dealt with in the Provincial Court, and, finally, limits the grounds for review of a Chief Judge in an administrative decision, as in the case that was brought up by the Member for Edmonton-Riverview, the Judge Reilly case.

So, Madam Speaker, I will take my leave, and hopefully as I sit down, many members from the government side will stand up and carry this debate on so we can carry on this evening as we are.

Thank you.

8:40

THE ACTING SPEAKER: The hon. Minister of Justice and Attorney General to close debate.

MR. HANCOCK: Thank you, Madam Speaker. I have to admit that up until the last few moments I was entirely puzzled by what we were seeing, because the Justice Statutes Amendment Act was introduced in this House on Tuesday, April 18, almost exactly seven months ago, and until yesterday it suffered in a din of silence. Then we've had, of course, all this wonderful input in the House in the last day and a half and, I must say, such wonderful input it is.

I'm so pleased that at least one member of the opposition is doing his research. I have to commend Edmonton-Mill Woods for having gone back and read *Hansard* and the comments that were made when the act was introduced and referring to some of the information that was provided at that time as to the purpose of the act. So many of the other opposition members failed to do their research, and while I appreciated the positive comments that were made – and I don't wish to sound defensive – it would have been so much more elucidating if some research had been done on the information.

I do want to deal with some of the issues that have been raised because this is an important act, notwithstanding the fact that we've discovered that the real purpose of most of the speeches was to waste time and arrive at more question periods rather than to actually deal with the issues in the act. But there are important issues, and

some of those important issues have been raised. Spruce Grove-St. Albert started it off with discussion about the Survival of Actions Act. And I must say that it is a bit disappointing because, as I always try to do in introducing an act, I met with the Justice critic, then the Member for Edmonton-Norwood, and I believe the Opposition House Leader, and I outlined exactly what was going into the act and why. So I am a bit disappointed to have people come back and tell me that they weren't communicated with.

It would have made for good reading and research if any of the members of the opposition had read the final report, no. 76, of the Law Reform Institute with respect to section 74.

AN HON. MEMBER: It's right there.

MR. HANCOCK: Is that the copy that I sent over yesterday afternoon for your members to read? It would have been, because it sets out quite clearly the reason why section 74 was included in the Justice Statutes Amendment Act. The report clearly indicates the process which the Law Reform Institute went through in order to arrive at their conclusions. While it will be my intention in committee to introduce an amendment – and I'll get to the reasons why – to take that section out of the Justice Statutes Amendment Act, I want to be clear that section 74 was included for a very, very good reason.

First of all, I am of the belief that when the Alberta Law Reform Institute delves into an issue of law and makes a report, those reports should not sit on the shelf. Those reports should be acted upon. The issues, the recommendations where appropriate, where possible should be brought forward and embodied in our law. So I wanted to put that out, and the Law Reform Institute made some very good comments on the whole question of the interpretation of section 5 of the Survival of Actions Act and the interpretation that came forward in the case known as *Duncan and Baddeley*. They have referred to a number of the reasons why the law should be clarified and why it is necessary to have a section like section 74.

Now, the reason why we're going to be proposing an amendment I'll deal with when we get to Committee of the Whole, but I just wanted to put on the record that we do not do these statutes by stealth. We do not slip sections in.

Section 74 is in fact the recommendations from the Law Reform Institute, a 61-page report, a very well-researched and briefed report, which I would commend to the opposition members and members of government to read, because we will be wanting to discuss this issue over the course of the next few months. It is one which should come back to this House in the future after consultation with members of MADD and PAID and other organizations. I must say that I did have a lot of input from the plaintiff's bar as well on this issue. It does behoove us to have some discussion. I'm so pleased that people are now attuned to that particular issue and that we can have a meaningful discussion on it in the future.

There has been a lot of issue made of the Provincial Offences Procedure Act and particularly the question of registry agents being able to accept the payment of fines. For the benefit of Lethbridge-East and Edmonton-Strathcona, who talked about the principles of the act – and I appreciate them delving into the principles and objectives of the act – what the Justice Statutes Amendment Act is all about is easier access to the system, easier access to the courts, better opportunities to resolve disputes, encouragement to resolve disputes through mediation and through other processes. One of the ways in which we can make the system more accessible to the public is providing more avenues for them to access it.

Now, it may be a small thing, but the payment of fines is one area where the more outlets, the more availability there is, the more

accessible it is to the public. Nobody is forcing anyone to go to a registry agent to pay a fine or to pay a surcharge for the purpose of paying that fine. They can pay the fine in the old way. They can take it down to the courthouse. They can send it in by mail. They can do any one of a number of things to avoid the surcharge. But if they happen to be in a registry agent renewing their insurance or renewing their licence and they would like to pay their fine at that location, is there any good reason why they shouldn't be able to do that, have the convenience of that, and yes, if they wish, pay the surcharge in order to have that convenience? They don't have to. They can put it in an envelope, put a stamp on the envelope, mail it in on a timely basis, and it'll certainly be accepted.

I hope that in the future, Madam Speaker, we'll be able to afford people the opportunity to go to our web site and to log in on the web site and make payments of their fine through electronic funds transfer on the web site. I hope that that will be offered in the very near future.

That issue has been raised by a number of members opposite, and I did want to address it. I don't anticipate, as a couple of members do – I think Spruce Grove-Sturgeon-St. Albert indicated, for one, that she was concerned about the number of people that would be put out of work. Well, it was clear in my introductory remarks and it's clear now that this is an expansion of availability, of accessibility. We won't be closing any of the clerk's offices because all of a sudden everybody's paying their tickets through another venue.

Edmonton-Riverview raised concerns about what could be encapsulated in the words "judicial independence" and referred to a specific case. Quite frankly, I guess I expected that that might be raised. What I want to assure Edmonton-Riverview and what I want to assure again Edmonton-Strathcona in his comments about the sections on pages 4 and 5 of the bill is that what we're attempting to do . . . [interjections] Well, Edmonton-Riverview made comments yesterday, and Edmonton-Strathcona did today, and I want to address them both at the same time. The purpose is not to detract from judicial independence but certainly to improve the efficiency in the operation of the court in allowing the Chief Judge, not the Minister of Justice but the Chief Judge of the Provincial Court, to order the resources of the court in a manner which makes most effective use and provides, again, best access to the public of Alberta.

If the Chief Judge of the Provincial Court determines that he needs more judges in a particular area to handle a particular workload, then he should be able to order the resources of his court in order to accomplish that, whether that would mean moving judges temporarily or permanently in terms of the area that they sit in or whether that would mean moving judges temporarily or permanently in terms of the division in which they sit. That's the purpose of the section. It allows the Chief Judge the opportunity to organize his court in a manner which deals with and provides the best access to Albertans who need it and to deal with time to trial and those sorts of issues by reordering the resources that he has at his behest.

8:50

There is provision made in the bill and there is further provision which will be introduced in the amendments, which I hope to get to at some point in time . . . [interjection] Soon. My own member is admonishing me: soon. We will introduce those amendments, which will provide a process for a judge who doesn't like the decision or the ordering of the Chief Judge to appeal to the Judicial Council and have their grievances heard. But it is unseemly for judges to be going to court and particularly unseemly for judges to be going to court at the expense of the provincial government for both sides of the case and having the province bear all the expenses of both sides

of the argument, taking it through the processes of appeal, when there is a more appropriate forum readily available to them. That's the intent. It's not an intent to in any way interfere with independence of individual judges or of the judiciary at all, but to allow the Chief Judge to utilize those resources to do what is the most important issue here, and that is to provide better access by Albertans to the Provincial Court.

Many, many other comments were raised, but most of them fell in those categories. I cannot let the opportunity pass, though, to deal with some of the comments that were raised by Edmonton-Glenora, because quite truly they hurt. They do. They're very hurtful comments. In the middle of debate Edmonton-Glenora referred to "nasty bits," that in a bill that could have some very straightforward, positive elements, there are these nasty bits secreted away. He says:

I am left to my speculation that it is done quite on purpose; that is, to make sure that the nasty bits, as I refer to them, are hidden and aren't immediately apparent except on close scrutiny.

Madam Speaker, that strikes so very close to the heart.

When I engage in this process of drafting and bringing forward legislation to improve the judicial system for Albertans, one of the processes that this minister engages in is sharing with his opposition critic exactly what's going to be in the bill. Not the direct wording of the bill, not a draft of the bill, because it would be quite inappropriate to give the actual draft of the bill before it's tabled in the House, but the concepts that are going to be in the bill, including the nasty bits, and pointing out – in fact, I think his colleague the Opposition House Leader might confirm for him that I even point out some of the areas that I think might be particularly controversial. Rather than hide them, I want to highlight them so that we can have a good debate on them. To come back and accuse – and I think it is an accusation – of secreting nasty bits in a bill is very hurtful and quite inappropriate. I think it would be appropriate for him to rise in his place at an appropriate time and direct an apology on that particular issue.

I think that deals with most of the issues that have been raised by members of the opposition speaking in the session on this issue.

Edmonton-Glenarry referred to the unified family court and whether this is somehow synchronized with the work that we're doing with respect to a unified family court. There is a Unified Family Court Task Force. I'm looking forward to a report from them. But I must indicate to the House that we have to work on two planes. We have to continually improve the existing structure so that Albertans can have greater access and better access to the courts and timely resolution of their disputes while we're working on what the long term might be and what the big picture might be for the courts. So while it may be appropriate to refer to the unified family court in this context – and I think I did refer to it in my opening remarks – we must continually do work to improve our legislation to improve the courts as we now know them while we're planning the future of the courts. That would be the only comment I'd make on the Unified Family Court Task Force.

Edmonton-Glenora did refer, again very cynically, to the parts of the act which deal with the Public Trustee Act, and all I can do at this point in time is assure him that there is no intent in this bill to in any way harm Albertans whose affairs are being taken care of by the Public Trustee. Albertans protected by the Public Trustee will not be affected negatively by the changes to the act, but I will get Edmonton-Glenora some more detailed information, because he has such a lack of trust for me, some additional information to show why this is not a nefarious, nasty bit secreted away but is an important change to be made at this time.

I do want to thank members of the House for allowing an omnibus bill – it's not an omnibus bill but a bill which deals with so many

acts. As was quite frankly and quite rightly pointed out by Edmonton-Strathcona, this all comes together into a package which makes sense when you read it in the context of what our provincial courts are doing, what our courts are doing, and what the judicial system is doing to provide a good opportunity for Albertans to resolve their disputes.

Thank you, Madam Speaker.

[Motion carried; Bill 20 read a second time]

head: Government Bills and Orders

head: Committee of the Whole

[Mrs. Gordon in the chair]

THE DEPUTY CHAIRMAN: I'll call the committee to order.

Bill 20 Justice Statutes Amendment Act, 2000

[Debate adjourned November 21: Dr. Nicol speaking]

THE DEPUTY CHAIRMAN: Are there any comments, questions, or amendments to be offered with respect to this bill? The hon. Minister of Justice.

MR. HANCOCK: Thank you, Madam Chairman. It seems like only moments ago we were dealing with this very bill. I'm delighted to rise in committee to deal with some of the issues that we've just been talking about and to move an amendment, which I believe will be called A1, to Bill 20 and to ask that it be dealt with as a package.

Madam Chairman, Bill 20 is designed to enhance the court system, to provide improved access to the courts in Alberta, and the legislation deals with a wide variety of changes to speed up the court process, particularly in regard to civil cases. As a result of the bill sitting over from the spring session and in fact having been sitting out there for public discussion and consumption for a matter of seven months, we've had an opportunity to receive further input from members, from the public, from the Provincial Court, and we're proposing amendments now to take into account some of the feedback and input that we've had.

The hon. opposition Justice critic himself, of course, as the House will remember, called Bill 20 good news and was able to point out only a few things that could be done better. Well, Madam Chairman, we're now tabling the amendments to the Justice Statutes Amendment Act to do just that.

I want to just highlight a few key points. The amendments that are being presented now would increase the maximum limit for small claims cases in Provincial Court. After the proposed House amendments the maximum limit that could be established would increase from \$10,000 to \$50,000 instead of the previous \$25,000 that was proposed in the bill. The reason for that is that after having some consultation – I thought we were pushing the envelope a little at \$25,000 but discovered that there was quite an appetite, actually, for increasing the levels available to the Provincial Court, civil claims division, to a higher limit.

Now, of course, we're not able to go to that higher limit immediately. Members will remember that the small claims limit, the actual limit, is set by regulation within the confines of the upper limit that's set in the act. So while we set it at \$50,000 in the act with this amendment, it will remain at \$7,500 until we have satisfied ourselves that the resources are available to allow the gradual move up, but we would hope to do that on a timely basis.

9:00

Provincial Court provides a simpler process than the Court of Queen's Bench, and parties are able to represent themselves more easily. It's not very cost-effective to take a claim of less than \$50,000 to Court of Queen's Bench. The Provincial Court, to the extent that we've been able to consult with them, has indicated that they don't have any concerns with raising the limit to this amount, so it seems appropriate to put the amount up to a reasonable level, the \$50,000 level, and try to work as diligently as we can to achieve that level.

The opposition also expressed concern about proposed amendments regarding Provincial Court judges' powers regarding contempt. The legislation ensures that contempt orders are issued only to ensure compliance and not punishment, and the amendments, I think, serve to clarify that.

We have also addressed the hon. Justice critic's concerns dealing with the privative clause and how complaints against judges would be dealt with. The amendments provide for a clear process of taking the matters to the Judicial Council and outlining some of the concerns around that. The Judicature Act would be amended so that complaints by Provincial Court judges and justices of the peace about decisions of supervisory judges would be dealt with by the Judicial Council rather than by a judicial review in the courts. The legislation also amends the Judicature Act to review remuneration and benefits for judges, masters, and justices of the peace every four years instead of every three years. Currently, you will recall, we have to have a Judicial Compensation Commission every three years. Federally they have them every four years, and this amendment will allow us to align with the federal practice. This will reduce the costs associated with the process itself.

Another amendment allows the minister to establish a tariff of fees and expenses that will establish the amount paid by the government to parties involved in a complaint by a judge against a supervisory judge to reimburse them for their costs of legal representation. Let's be clear about this. We're not intending in any way, shape, or form to interfere with an individual's ability to select the counsel of their choice. All we're attempting to do here is to make sure that the cost that's borne by the public for those sorts of disputes are paid for at the normal government rates rather than allowing participants to go out and hire the most expensive lawyers available.

The Jury Act is proposed to be amended to provide for confidentiality of juror addresses. Another amendment provides that the monetary threshold for jury trials should be set by the Lieutenant Governor in Council. The current limit of \$10,000 is generally recognized as being too low. Enabling the limit to be set by regulation will now allow a new limit to be set after adequate consultation with stakeholders. This is consistent with the approach for the small claims limit.

The Court of Appeal Act will provide powers to the registrar, deputy registrar, and case management officers to assist the court with case management and other initiatives. That is important because it allows us to take and use judicial time for judicial purposes and take administrative procedures out of the hands of judges, if the court decides they want to do it that way, and allow administrative officers to handle those. It makes for a more efficient use of the resources and better use of judicial time.

Finally, there is an amendment included to deal with the Legal Profession Act to provide that the Legal Aid Society will operate the legal aid plan in accordance with an agreement with the Legal Aid Society, the provincial government, and the Law Society of Alberta. This is good news, Madam Chairman. It puts the legislative framework in place, and of course this section will not be proclaimed until all the i's are dotted and the t's are crossed. We've been in negotiations for some five years with respect to the proper model of

governance and process for the Legal Aid Society, and we now have an agreement which all parties have signed, and now we have to look to ensure that it can be implemented. When we're satisfied that it can be implemented, we need the legislative framework to allow us to do it, and that's the purpose of this amendment.

That leaves me only with section 74, the Survival of Actions Act. I did deal with it in second reading briefly. The proposed amendments delete section 74 of the bill and remove the proposed amendment to section 5 of the Survival of Actions Act. Madam Chairman, that proposed amendment was a good amendment. It was consistent certainly with what the Alberta Law Reform Institute had suggested should be done. We had requested the Alberta Law Reform Institute to canvass and consult on it, and they did. But I must be clear. There were not a lot of people who participated in that consultation process. In fact, until this weekend there were not a great number of people who were interested in section 74 of the Justice Statutes Amendment Act or, to put it another way, were interested in what we were proposing to do with respect to section 5 of the Survival of Actions Act. It did not become a major issue until this weekend.

Now, I will say that I have received quite a number of letters from plaintiffs' bar lawyers. They made very good arguments in those letters, but they were arguments which had previously been made and considered by the Law Reform Institute. So on reviewing those letters and submissions, which were very good – I met with a number of plaintiffs' bar lawyers, in fact, on that particular issue, but in the final analysis I was satisfied that the better view of the law was that which was being proposed by the Law Reform Institute.

Having said that, this is a significant issue to be dealt with. The Court of Appeal has expanded the law in Alberta, has created essentially a new head of damages in Alberta by its interpretation of the Survival of Actions Act. There certainly are some cases which are proceeding based on that, and there is an issue to be discussed. I do not believe that the Survival of Actions Act and the compensation that's provided in that matter is where most members of MADD, PAID, and others should be looking, in fact. If there is a problem to be reviewed, it probably is in the Fatal Accidents Act, in the limit set out in there, the \$43,000 limit, I believe it is.

The Law Reform Institute I think quite rightly says that justice does not require that a wrongdoer be punished by award of damages. That's not the purpose of civil court. Justice does not require an award to be made to an estate of a deceased person on the sole grounds that an award would have been made to a living plaintiff.

In other words, again I would commend to members of the Legislature that they review the institute's report. It's a good report. I think it's sound law. It's something we should be considering and something that hopefully we will consider again in the future, once more public discussion has been had on this particular issue.

Madam Chairman, those would be my comments with respect to the introduction of the amendments tonight. I would ask the House to consider them favourably and get on with passing Bill 20 so that we can improve the service of justice and the administration of justice in this province and provide better and greater access to the public of Alberta to the courts of Alberta.

THE DEPUTY CHAIRMAN: The hon. Member for Edmonton-Glenora.

MR. SAPERS: Thanks very much, Madam Chairman. An interesting turn of events in the debate on this bill. We've just had a quick transition from second reading to committee, and while we were concluding second reading, the minister took it upon himself to take the opportunity to make I think some gratuitous comments, leading into the introduction of the amendments as well, regarding the length

of time that this bill has been before the people of Alberta and then suggesting that it wasn't creating much interest and then furthermore suggesting that there was no legitimate reason for prolonged debate, or at least he couldn't understand it.

[Mr. Herard in the chair]

He makes the point that there were seven months and then all of a sudden this flurry of activity and then suggests that the Official Opposition has some cynical reasons for wanting to prolong debate. Then he turns around and he tables 13 pages – 13 pages – of amendments. With my quick count it looks like some 21 different sections of several different bills are being proposed to be amended. The minister stretches credulity by stating that he can't understand why there is some spirited debate.

Mr. Chairman, the minister felt pierced, hurt, I believe he said, that there was a suggestion that some nasty bits were being secreted away within this bill. Of course, some of the nasty bits are now being amended, particularly those dealing with the Survival of Actions Act and those sections dealing with judicial independence. I would say that the minister should review the history of the government that he's a part of before he worries about the cynicism on the part of the Official Opposition. I would suggest that the Official Opposition is being realistic when it makes the observation that the government hides things which would not receive widespread support within bills.

9:10

Mr. Chairman, there are several examples of this. We've got Bill 26, of course, which would have taken away the legal rights of some Albertans. We've got the privative section of Bill 11, which would have protected the government from legal action. We had a proposed environmental protection act which would have allowed the minister to make side deals for development on otherwise protected land. We've got numerous bills where the real guts, the real substance, of the bills are left to regulation sections, and of course the regulations are never debated before the standing committee which was created just for the purpose of debating and reviewing such regulations. So this government has a track record, a history, in fact has perfected the science of secreting away nasty bits within proposed legislation.

So I would say, as the minister has asked me to apologize for making this observation, that perhaps he should dry his crocodile tears and he should apologize to this member for his bad acting and his overstatement of the facts.

Now, I will say that near the end of the minister's rather defensive response to the second reading debate, he did say that he would be providing some details of the impact of this legislation on the operations of the Public Trustee and those Albertans that depend on the work of the Public Trustee. I look forward to receiving those details prior to the passage of this bill, because I think this group of Albertans who are vulnerable deserve that respect. Certainly we have an obligation as members of this Assembly, Mr. Chairman, to provide the scrutiny that this section requires before we give the government permission to change the operations of the Public Trustee.

I would once again say, Mr. Chairman, that the Justice Statutes Amendment Act as an omnibus bill does contain many bits which are troubling and even nasty. Some of them are being saved now by these amendments amongst these 13 pages of amendments. I would just ask the Minister of Justice to carefully consider whether or not things like section 74, which has now been removed, would have been better served in a discussion as a stand-alone bill.

The Alberta Law Reform Institute has written an excellent report, and it deserves to be studied. It deserves to be considered. I was

intrigued by the minister's statement that when that body provides the government with these reports, it's incumbent upon the government to act quickly. I note that, of course, this is report 76 from that August body, and I'm just wondering if the minister would like to give us a rundown of how quickly they've acted on the other 75 of those reports, including of course the ones on a unified family court.

That being said, Mr. Chairman, I will listen to the minister's response as we continue the committee process, as we review these amendments, and I suggest that we could even see these – did I say 13 pages? I believe it's 10 pages; I don't want to misstate myself. I perceive that we may see these 10 pages of amendments now even grow in size as committee proceeds.

Thank you.

THE ACTING CHAIRMAN: The hon. Minister of Justice.

MR. HANCOCK: Thank you, Mr. Chairman. I don't want to belabour this too much, but I think it does need to be said that I didn't indicate at all that the government had any policy with respect to these. I indicated that I as Justice minister felt it was appropriate to look at, and I think it's my role as Justice minister to look at the Institute of Law Research and Reform reports and bring them forward where appropriate and not leave them on the shelf. I wanted just to clarify that.

Mr. Chairman, the hon. member has quite rightly pointed out that the amendments were tabled tonight, notwithstanding the fact that in my usual form I shared the concepts earlier with my critic. I think it would make for better debate if opposition members and other members of the House had a chance to peruse the amendments, and therefore I would move that we adjourn debate.

[Motion to adjourn debate carried]

MR. HANCOCK: Mr. Chairman, I would move that the committee now rise and report progress.

[Motion carried]

[Mr. Herard in the chair]

THE ACTING SPEAKER: The hon. Member for Lac La Biche-St. Paul.

MR. LANGEVIN: Thank you, Mr. Speaker. The Committee of the Whole has had under consideration certain bills. The committee reports progress on Bill 20. I wish to table copies of all amendments considered by the Committee of the Whole on this date for the official records of the Assembly.

THE ACTING SPEAKER: Does the Assembly concur with the report? All in favour, please say aye.

HON. MEMBERS: Aye.

THE ACTING SPEAKER: Opposed? So ordered.

head: Government Bills and Orders
head: Second Reading

(continued)

Bill 28
Appropriation (Supplementary
Supply) Act, 2000 (No. 2)

THE ACTING SPEAKER: The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Speaker. I would move for the consideration of the Assembly Bill 28, the Appropriation (Supplementary Supply) Act, 2000 (No. 2).

The contents of the bill having been considered by Committee of Supply for two full days with vigorous debate and exchange of viewpoint, I would request that the Assembly consider passing this and letting us go home at a reasonable time tonight.

THE ACTING SPEAKER: The hon. Member for Edmonton-Glenora.

MR. SAPERS: Thanks, Mr. Speaker. You know, that's so disrespectful of Albertans, who are actually footing the bill for this supplementary supply request. It's not enough for this government to miss their budget estimates and their targets by billions of dollars every year. They have the audacity, then, to come into the Assembly and try to make a joke out of asking for nearly a billion dollars worth of supplemental estimates, a requisition just so shortly into the fiscal year. It really does show their arrogance.

It does remind me of that quote that's attributed to a banker, I believe, in the States: you know, a billion here, a billion there, and pretty soon you're talking real money. That's the kind of arrogance and disrespect that this government has for the taxpayers of this province. Every budget we've seen is just sort of a preliminary first guess. I mean, it's as bad as the Justice Statutes Amendment Act. You know, we see 10 pages of amendments to that bill. We see supplementary request after supplementary request.

9:20

Mr. Speaker, since 1993 we've had six supplemental supply requests brought in by Jim Dinning, one former Treasurer, another seven supplemental supply requests brought in by Stockwell Day, another Provincial Treasurer, and now we have a supplemental supply request for \$979.321 million, this particular bill, brought in by the current Provincial Treasurer. It just makes me wonder how long he's going to keep his job, because there's a horrible track record of Treasurers being able to keep their job in this province.

The Alberta Liberals have a tremendous amount of difficulty continuing to support this government, particularly in this latest installment of its spin the giant wheel and see where the budget lands today. These latest budget estimates represent I believe the 26th separate onetime spending announcement for health care in the last two years. Now, that is managerial incompetence writ large, paid for of course out of somebody else's pocket.

It's interesting to me that when Stockwell Day was Treasurer, he made a lot of noise about accountability and fiscal responsibility and transparency and openness, and then he went along and brought in nearly \$3 billion worth of supplemental supply estimates. Now this current Provincial Treasurer is well on his way, with his first supplemental supply estimate, of eclipsing even that inglorious record. It took Stockwell Day I believe it was his first three or four supplemental requests to top a billion dollars, and of course the current Provincial Treasurer will be able to do that with his very next blink of an eye.

So, Mr. Speaker, we're really left on this side of the House scratching our heads. What is it that these folks do around their agendas and priorities and budgeting committees? Do they simply just have nap time and wait until the oil revenues come in and then say, "Oh, golly, let's spend some more money because we underbudgeted in so many areas"? This supplemental request covers the Ministry of Health and Wellness, Ministry of Government Services, Ministry of Environment, Ministry of Community Development, Ministry of Infrastructure, Ministry of Justice,

Ministry of Municipal Affairs. It provides new money to the Auditor General. I mean, it's a real shopping list.

You would think, Mr. Speaker, that they would be better at it after 30 years. You would think they've had enough practice and that they would be better at it, but I guess you just can't teach some old dogs new tricks.

Now, I want to take a look at what this means in the context of the overall budget and financial integrity of the province of Alberta. Let's take a look at this supplemental supply bill and relate it to the second-quarter fiscal update, which the Treasurer just released on November 14, far earlier than it's ever been released before. We can only conclude that the reason why the Treasurer was so anxious to rush this report into the public domain was to try to deflect attention away from those issues that are really troubling Albertans right now: the waits for health care, the overcrowded classrooms that their children are facing, how thin their wallets are getting when they have to fill up their car at the gas pumps, their rising, skyrocketing electricity bills, their fuel heating costs, which are going through the roof.

Those are the issues that Albertans from right across this province are talking to the Official Opposition about, and they see it as hypocrisy, frankly, that the government would say: "Oh no, no, no. Everything's fine. Everything's fine. Just trust us. Look; we have a quarterly update for you." Well, you know that you can't put this quarterly update in the bank, Mr. Speaker, and Albertans know that.

Now, let's see what this quarterly update really means, and let's put this in the context of this little spending splurge that the Provincial Treasurer wants to take us all on. We have revenue projected now in this province of \$23,555,000,000. That's an all-time record, I believe, for the province of Alberta. They are telling us that this will generate nearly a \$6 billion surplus at this point in time. Certainly a \$6 billion surplus gives us lots of flexibility to do some things which we should have done long ago, and that is fund appropriately those core services that Albertans depend on.

Let's look at what the program expense size is. In the same quarterly forecast we see that a total expense of \$18,726,000,000 is being projected. Okay. Nearly \$19 billion. Of that, nearly a billion, \$945 million, is debt servicing costs. This leaves a net program expense of \$17,781,000,000, nearly \$18 billion.

Well, let's just compare that \$17.7 billion back to the revenue forecast. Now, if we take a look at the revenue forecast and you see that . . .

THE ACTING SPEAKER: The Government House Leader is rising on a point of order.

Point of Order Questioning a Member

MR. HANCOCK: Under 482 *Beauchesne* would the hon. member entertain a question?

MR. SAPERS: Yes.

THE ACTING SPEAKER: He said yes.

Debate Continued

MR. HANCOCK: Mr. Speaker, I realize that we've gone a bit past that point in the debate, but it took me a moment to find the rule. I'm wondering whether the hon. member, in raising questions about the Provincial Treasurer's tabling of the quarterly report on November 14, a full two weeks earlier than one might normally have anticipated, in order for members of this House to have the full

benefit of that report during the full period of time that the House was sitting, feels that members should not have had access to that information for that period of time while this House was sitting.

THE ACTING SPEAKER: I think there was a question there.

MR. SAPERS: Well, I'll take that as a precedent and expect full disclosure of the finances prior to any sitting and the answer to all of our questions prior to the passage of any bills. That would be a great standard to set, Mr. Minister. Thank you for committing to it.

Now, as I was saying, what we see here is a total revenue projection of \$23.5 billion, but just for the sake of argument let's project into the future. Let's be good prudent fiscal managers in this Assembly, something that's uncommon, and let's see if we can bring the government along and take them down this path of being prudent and careful and actually having a vision and a sense of the future.

Now, at some point, Mr. Speaker, I think you'll agree with me that our nonrenewable resource revenue is going to begin to diminish and eventually disappear. If we take a look at the \$23.5 billion in projected revenue right now, we see that crude oil royalty revenue accounts for nearly \$1.4 billion. It's \$1,365,000,000. You take that away from the revenue projection, and what you're left with is \$22,190,000,000, still enough to pay for the program expense of nearly \$18 billion.

But now let's take away the royalty revenues that come from synthetic oils. That's nearly a billion dollars. That's \$930 million. That leaves a revenue stream of \$21,260,000,000, still enough to meet those \$18 billion worth of program expenses. But then let's take away the natural gas revenue as well, the revenue that flows because of the gas resources in this province, and that's \$5,318,000,000, nearly 5 and a half billion dollars. You take that away, and you're left with a revenue stream now of \$15,942,000,000.

Now, that \$15,942,000,000 actually means that you're going to have a net deficit, if that royalty revenue wasn't there, of \$1.8 billion, \$1,839,000,000. You've got \$15.9 billion in revenue. You've got program expenses of \$17.8 billion. So you've got this deficit net of the nonrenewable resource revenues.

When is this government going to realize that it has to start planning for that eventual future? The conventional crude is drying up. The rate of exploration and the rate of extraction in terms of gas is at such a rapid pace that it's not going to be there for all that much longer. I'm told that even the newest of the oil sands projects are looking at maybe 30 years' worth of mineable reserves. Thirty years, Mr. Speaker. That's not all that long in the future. So when is this government going to get serious about creating baseline accountable budgets that adequately fund core programs and then planning for the future in such a way that we're not on this roller coaster, this roller coaster of lowballing revenues and budgets at one point, setting them ridiculously high at other points, going on spending sprees when it suits the government politically, as we get ever closer to the election, and then ratchetting back all of that funding and being so disrespectful to all of the partners that the government is involved with, conveniently after another mandate has been provided.

9:30

It really is an unethical, unprofessional, irresponsible way of managing the affairs of this province, and it's gone on far too long. I would ask, I would plead with members of the front bench of the government to think carefully about the next time that they come to this Assembly hat in hand saying: "Oh, gee. Really we didn't mean it. We just made a little bit of a mistake in our budget, so would you

please give us a supplementary supply?" I would ask them to fight at that cabinet table to do what it is that they've promised to do, and that is to take their responsibility for providing truthful and honest estimates of program expense and revenue, bring forward a budget for the scrutiny and the approval of Albertans, put it out there in a form and at a time when it can be carefully reviewed, debated, when we can have genuine citizen input, not input trumped up through these mail-outs and these glossy brochures but genuine input.

Let's take a look at reforming the process by which we do budgets in this province. Let's take a look at reforming the process by which the Legislature gives its seal of approval to those budgets. Let's make sure that all members are treated as equals in that review process, that all Albertans, regardless of who they voted for or which party their member happens to represent, have a chance to have their input heard and respected, Mr. Speaker. Then we will have a process with integrity that's been promised, that has the transparency and the openness and the accountability that the new leader of the Reform/Alliance, or whatever they call themselves, speaks of.

[Mrs. Gordon in the chair]

I just have to say that it makes me shake my head when I hear that leader of that party talking about the need for more accountability and more openness in the federal government, knowing full well what it was that we had to endure in this House during his term as Provincial Treasurer. Apparently that shadow over openness and accountability continues to fall over the Legislature in the person of the current Provincial Treasurer.

THE ACTING SPEAKER: The hon. Member for Spruce Grove-Sturgeon-St. Albert.

MRS. SOETAERT: Thank you very much, Madam Speaker. I'm glad to have this opportunity to speak to the estimates. Imagine getting maybe two chances to speak to a billion dollars' worth of extra funding.

A few things I wanted address in this that I can't help but mention. Can't the government predict at all what the expenses are going to be? I mean, we heard today from school boards across the province about their infrastructure deficit. There's a huge infrastructure deficit in this province. And you know what? Couldn't that have been foreseen at all? Certainly if you'd contacted school boards and health authorities, that could have been indicated and those kinds of things could have been addressed, I think, this year rather than next year or the following year or the following year.

You know, it's not always new buildings. Often it is maintaining old ones, because if you don't maintain those old ones, then by the time you go fix them, it's a toss-up as to whether you should fix it or build new. I mean, all of us I'm sure at one time or another have lived in an older building at some point in our lives, maybe going to university, maybe we do now, but certainly – my husband used to say that the only thing that works around this house is me. He meant himself not me, of course, but he meant on the house. So I'm sure that's straight.

But, Madam Speaker, my point is maintaining these buildings. Because I am the Infrastructure critic, I want to talk about some of those shortfalls that have not been addressed in this document that I've received, which is the amount of information we get. I would really appreciate from the Minister of Infrastructure – and I'm hoping he will get this information to me. It says here, "Health Care Facilities," but it doesn't list which health facilities were addressed, which school facilities were addressed. If anyone would relay that, I would ask for that list of what buildings were worked on. What did

the extra money go to? I would really appreciate knowing that. I don't think that's asking too much.

AN HON. MEMBER: It's on the web site.

MRS. SOETAERT: Pardon me? It's all on the web site? I really spend a lot of my time in here. I would appreciate it, then, if they could just table it.

In that Infrastructure deficit we've talked about priorities. In fact, that question came up today by the hon. Member for Edmonton-Mill Woods. That question actually had the minister squirming. He did not like the question, and the answer wasn't sufficient. The point is: how do you set your priorities? For example, the Parkland school division has a list of priorities. The first priority wasn't addressed, not the second, third, fourth, fifth, sixth. The seventh one was addressed. So if we're actually listening – yes, it's confusing to me too, Madam Speaker. I'd like to know how the minister decided on the seventh priority of the Parkland school division rather than their first. I think that's a fair question.

AN HON. MEMBER: Is it political?

MRS. SOETAERT: I want to know if it's political, because the Member for Stony Plain has indicated that it is, so I'd really like that cleared up. I think I deserve, and I think my constituents and in fact all the people across this province deserve to know how priorities are set up and spent within this department.

I'm so glad that the Minister of Learning told people across the province that I was on tour down in Brooks. You know, each of the MLAs are allowed five trips a year, and I think if you're going to do a critic portfolio properly, you should use those trips. I think actually every MLA, whether you're in a certain portfolio or not, has to think outside of the area you're from, because if you're just from . . .

MR. DUNFORD: So you support overseas trips for ministers?

MRS. SOETAERT: No, not overseas. I'm talking Alberta; I'm talking Albertans here. [interjection] No, I didn't support a trip to Mexico by the Minister of Learning, but that is not about estimates right now.

I'm talking about when I went down to Brooks. If I'm going to be the critic for Infrastructure, then it's worth me knowing that it's highway 36. I'll correct that now. By the way, for people who used to wonder about highway 794, it is now highway 44, and it is two-thirds done. We have one-third to go there, just so you know that number changed. Seven years I've been here, but that's okay. So highway 36 and highway 1: a dangerous, dangerous intersection. Where's that overpass? Certainly it's been a priority for the area. Where is their MLA speaking up on it? So those are the concerns I heard.

The water in Gleichen: why has nothing been done about that? The people in Gleichen are drinking from bottled water. They all buy their water.

DR. OBERG: Point of order.

THE ACTING SPEAKER: The hon. Minister of Learning.

Point of Order Questioning a Member

DR. OBERG: Thank you, Madam Speaker. I'm rising under *Beauchesne* 482. Would the hon. member entertain a question?

THE ACTING SPEAKER: Hon. member.

MRS. SOETAERT: Thank you, Madam Speaker. I have only 20 minutes, and I want to use it for my speech on estimates, but I'll gladly meet with the minister afterwards.

THE ACTING SPEAKER: So the answer is no?

MRS. SOETAERT: The answer is no, but I'll gladly meet with him after, and we can talk about the people in Gleichen. It's funny. You know what else? This will be good, because then the people down there will know that maybe the minister is speaking out once in awhile for his constituency.

THE ACTING SPEAKER: Hon. Member for Spruce Grove-Sturgeon-St. Albert, the chair would remind you that we are on Bill 28. Come on; let's get back to it.

Debate Continued

MRS. SOETAERT: Yes. That's the appropriation estimates. Yes. All the estimates. I'm asking how they set their priorities and how things get ignored and neglected across this province, and I want to make sure it's not political, that it is practical for people.

While I was down there, I also noticed . . .

DR. OBERG: Hey, Colleen, who paid for your trip to go down there?

9:40

MRS. SOETAERT: You know, my expenses are all there for my constituents to see anytime they want.

While I was down there, interestingly enough many of the councillors down there were concerned about the lack of policing and the shortage of police, and I'm sure the Minister of Justice has heard that. It's too bad the Minister of Learning is doing a Mexican hat dance while I'm trying to speak, but I must have hit a nerve.

With Justice estimates I would like to address the fact that the DARE program and the issue of underfunding of police, that we don't have enough police in this province, was mentioned down south, and that's not news across the province. I'm sure you're aware of that. If we want to support community policing and be active with the DARE program, then we need more police, because it's no doubt that they're the best ones to deliver that program. So I would encourage that.

The Catholic school in Brooks. I had a tour of that school, and you know what? That's dangerous. It's dangerous. A hallway during recess and going down that stairwell is a bit risky, and you know what? Now that school is being faced with taking their second – well, I wouldn't even say it's their second priority, but instead of getting a new facility, the choice they're being given is to take the building beside it and do major renovations on that. There won't be room for a decent parking lot, a decent track for the kids. They have to build a new gymnasium. So, you know, that's a poor second choice that that school is facing, and you think a facility doesn't reflect an education? It absolutely does. It absolutely does. A gymnasium that has a low roof – you know, the Member for Dunvegan I'm sure knows. I'm sure he knows that a quality building makes a difference in how healthy kids are when they come to school. Proper lighting, proper phys ed, proper track, a decent music room: all of it from an infrastructure point of view is absolutely essential to a good education. I'm going to leave for a moment the infrastructure issues.

I would like to talk about MRIs. It's been brought up in this

Legislature. I want you to know that a senior citizen came to my office a couple of weeks ago, and he needed an MRI. He was having headaches. He would have to wait four months, and he said: "Colleen, I can't. I can't wait that long." Yet he didn't have enough money. He had to kind of find it, maybe borrow it from his son. I didn't like doing this, but of course we will help him do this. The pity of it was that I couldn't get him into the public system, so we helped him find a private system where he had to pay I think it was \$450 to get an MRI. That's wrong. That's wrong. People shouldn't have to pay for that.

If people need an MRI, they should get it in a timely fashion. And you know what? It should be paid by public dollars. Medically necessary should be paid for, and it isn't paid for. It isn't paid. Then he says: they jumped the queue. It's because you've underfunded it. So Mourie Hooper should sit with back pains for nine months, the minister says. Neck and shoulder and back pains, and he would have to wait nine to 12 months for a prescribed test.

So his doctor recommended it at a clinic that is recognized by this government. He was actually . . .

AN HON. MEMBER: The doctor obviously didn't think it was an emergency.

MRS. SOETAERT: You know what? It was an emergency. [interjection] Well, would you consider not being able to work for nine months an emergency to a family? I certainly would. I certainly would. Obviously, Madam Speaker, they don't care about people who don't have the money to pay for things, that a family has to borrow money in order that somebody can go back to work. That's not respect of people.

The other thing that I want to talk about is long-term care beds. That certainly hasn't been addressed in this budget either and the issue . . . [interjection] You say you've heard that story before. Well, you haven't listened then. You haven't listened, because those of us who live near the capital cities, Edmonton and the other city Calgary . . . [interjection] Right; it's not the capital, Edmonton is. We like to think the outlying areas, though, are the most important areas of course.

The Member for Redwater knows well what I am talking about when I talk about boundaries and the inability to access a long-term care bed for somebody who lives in Villeneuve, five miles away from St. Albert. Can't access. Can't even get on the list for a long-term care bed in St. Albert. That's appalling, Madam Speaker, and that's not been addressed by this budget. St. Albert knows that well too. Absolutely.

MRS. O'NEILL: And you're wrong.

MRS. SOETAERT: Oh, she says I'm wrong. Well, I'll challenge you on that one any fine day.

Now, Madam Speaker, the other issue I want to talk about is how busy our emergency rooms are. I have seen nurses that are just run off their feet, that are asked to stay another four hours after their shifts, that are swamped, that are called back from days off. You know what? They legally can't say no. They can't say no. Now, that's not acceptable. I would venture to say that part of the reason we are short of teachers, nurses, and doctors in this province is because they have been undervalued by this government for the last few years. They have in fact cut their wages. They tell them they're not valuable. They make them feel like they're not valuable by how they're treated, so who would want to go into those professions? Professions that I absolutely admire and respect.

One person said to me, "Well, you know, we're in debt because

of the nurses and teachers.” Baloney. It was mismanagement by this government, absolute mismanagement: loan guarantees to Bovar, MagCan, and NovAtel, which continue on. So instead of valuing these fine people – and I will give credit to the Minister of Learning, who actually praised them today. I will give him credit. He’s the first education minister I have heard give that in the last five years. He’s the only one who has. Until that time, they were devalued. Now here we are scrambling to find teachers and nurses. What a pity in a province with a \$5 billion surplus, in a province that is the most beautiful one in this country, that should have all the advantages of being the wealthiest province and the most beautiful province. Instead we’ve created a human infrastructure and a physical infrastructure deficit. Sad, sad statements.

One more issue that is an issue that I received from Sturgeon school division, and that is the reality of fuel costs and how that ties to transportation with their schools. I know all school jurisdictions struggle with this one but certainly rural jurisdictions far more than others, because their bus trips are huge and long and their gas expenses are very high. As fuel costs increase, so are their increases. They have some recommendations as to how to adjust that. Their recommendations are that Alberta Learning examine the impact of increased fuel prices on school boards and provide additional funding as required for this increased cost and that Alberta Learning review fuel costs on a regular basis and adjust the fuel component of transportation funding on a quarterly basis in accordance with the variance in fuel costs. I know that might take a little bit more work for the department, but I think a quarterly review of that would be a bit fairer and would certainly serve our children better, because those costs then wouldn’t come directly out of the school board funds.

Madam Speaker, I’m going to conclude my remarks. [interjection] Well, I still have three minutes. I might keep going, then, since I got such encouragement from West-Yellowhead.

I have to say that this kind of budgeting isn’t fair to people. It’s good-time Charlie spending instead of a decent plan at the beginning of the year. One year kindergarten gets funding in September. Well, of course they’re grateful for it, but my goodness, they could have planned for it in May or before that. Couldn’t the government figure that out in the original budget? I bet they could.

9:50

MR. STRANG: School starts in September.

MRS. SOETAERT: The Member for West Yellowhead says that school starts in September. Who do you think plans for September 1? We all just walk in and throw ’em in a room, I guess. That’s the point: you don’t plan. My goodness, if you really don’t know how school works, you really should hop into some of the early, early meetings that start in April and maybe prior to that to see how many students you’re going to have, what grades they’re going to be in, what programs you’re going to offer, how many grades, how many staff you need. You’re planning in April, not in September. I can’t believe that, but anyway, we’ll keep working at them, Madam Speaker.

I think I ask on behalf of many, many people in Alberta: consistent budgeting, a fairer process, an all-party budget committee that actually looks at issues and priorities, that depoliticizes it so that priorities are made on people, that the kids who are going to school in an old building might be a priority before somebody else who just wants a new school. I think it’s about kids and it’s about people; it’s not about politics. [interjection] If kids are our future, then treat them right.

So, Madam Speaker, I’m disappointed that this government can’t plan properly, that people aren’t being taken care of like they should,

and that’s not to say that most of this isn’t needed dollars. What it is to say is that I don’t see the priorities that my constituents are telling me about, and I don’t see fair budgeting so that people can plan.

Those are my concerns with this budget. Thank you.

THE ACTING SPEAKER: The hon. Member for Edmonton-Highlands.

MR. MASON: Thank you very much, Madam Speaker. I would like to address Bill 11, and I’m taking a look at the schedule . . .

SOME HON. MEMBERS: Bill 11?

MR. MASON: Bill 11. I missed that; didn’t I? I really wanted to be here for that, but the government’s timing was off.

All right. So we’re up to Bill 28 now, Madam Speaker, and I would like to address what I find to be quite shocking, and that is that in less than one fiscal year this government has spent nearly a billion dollars of money that was unbudgeted. That’s got to be a record. Maybe it’s not. Maybe it’s been worse in previous years. I guess what I’d like to suggest to the hon. member, Madam Speaker, is that I think the government should be able to plan its expenditures and get approval from the Assembly in advance of making those expenditures.

I just want to take one example. I won’t take all of them, but I’d like to take Health and Wellness. Here we have an amount of \$293,593,000 in additional expenditures. Now, the people on this side have been calling for the government to spend more money in health care. Well, we certainly have, and it’s not that per se that I’m objecting to; it’s just the manner in which they’re going about it. Now, just before the last election, Madam Speaker, the Premier, after denying it for years through all of the cuts, finally admitted that the government didn’t really have a plan for the cuts they made to health. He admitted it, and I have the *Edmonton Sun* clippings to prove it. Imagine my surprise that the Premier would admit that the government didn’t have a plan, but he’s like a cute little puppy who’s made a mess on the rug. What are you going to do? All you can do is clean it up. You can’t take a newspaper and go after him.

The question I have is: over that intervening time since the last election, has the government improved its performance? Has it pulled up its socks? Has it learned to plan for education? Has it learned to budget appropriately for the expenditures? I would say to that, Madam Speaker, that all you need to do is pull out the latest report of the Auditor General of Alberta, and you will find exactly the answer you’re looking for. I’d just like to quote some of the marginal comments in the section on Health and Wellness. Here’s one.

While payments to physicians have increased, questions of accountability remain.

While steps have been taken by the Department to contain drug costs in Alberta, costs continue to increase significantly.

The Department has limited information to compare planned and actual drug use and costs.

We previously reported delay in finalizing business plans.

And here’s the one, Madam Speaker. If I found this billion dollars in unbudgeted spending shocking, here’s what I find that’s appalling, and that is that the “health budget has increased more from interim funding than from annual budget increases.” Now, that’s the most telling comment that you could find.

I’ll just go on a little bit farther in the Auditor General’s report. It says:

Although budget increases and other steps have been taken, the pattern of prior years continues. The 1999-2000 health authority

business plans were not settled until well into the fiscal year. Most health authorities were asked for resubmissions or addendums to be provided to the Minister in the fall of 1999 when, again, more than half the year was over and the process of preparing new or updated business plans should begin again covering the next three fiscal years.

He continues.

The need to improve planning capabilities is also indicated by the extent of continuous additional funding announcements sometimes described for "one-time" purposes. These often repeat for such things as buying equipment, hiring more health care workers, covering physician payments in excess of planned limits, and eliminating debt and deficits of health authorities.

MR. HANCOCK: It's been tabled. You don't have to read the whole thing.

MR. MASON: Well, you know, I think it would bear if the whole thing were read, Madam Speaker, to the minister and the Government House Leader, because it's obviously not sticking in the government's head. It's not rocket science. It's not something that's hard that they need to figure out. They don't even have to listen to the opposition's side to get it. If they just read their own Auditor General's report, they would realize. I'll read a little bit more.

While subsequent additional funding may provide relief from immediate budget pressures, it is not conducive to good budget management since repetition may create the expectation of continuing amounts in addition to planned annual budget increases. This is evident in the latest business plan submissions where, again, many health authorities are forecasting operating deficits for the fiscal year 2000-01.

It goes on and on. I could read more, and I think it would be very beneficial to the government side to hear it. The point I'm trying to make is that there are very good reasons why they need to come forward and tell us that they spent a whole bunch more money than this Assembly allotted to them, and that is because they haven't fixed the health care system. They're not doing planning. They're not making sure that the budgeting is happening appropriately within the health authorities. All that adds up to big money that the taxpayers are expected to spend, and the government should be capable by this time of doing better than they are doing.

Now, some of this is not related to the mere common, garden-variety mismanagement from this government with which we are so familiar, Madam Speaker. A lot of this expenditure has the smell of an election to it. I think it's one thing for this government to collect a great deal of money from their corporate friends in order to finance their election campaign. That's legitimate. Certainly the corporations benefit from their largesse. But I would really say that it is wrong to use the taxpayers' own money to make large increases in expenditures when they ignored the public the whole time before the election. All of a sudden at the last minute they're flush with cash and they can spend the money and throw it into areas where they will obtain political advantage. That is what I find the most reprehensible about this bill.

So, Madam Speaker, needless to say I'm not going to be supporting this bill. I think the government should clean up its act first of all, and I think the people of Alberta can see through attempts . . .

10:00

THE ACTING SPEAKER: Hon. member, I have a point of order from St. Albert.

Go ahead.

Point of Order Imputing Motives

MRS. O'NEILL: Madam Speaker, on a point of order in Standing

Order 23(h), (i), and (j). I choose to raise this issue. May I proceed here?

Madam Speaker, section (h) suggests that someone speaking in this Legislature cannot make "allegations against another member." Section (i) says, "imputes false or unavowed motives to another member," and (j), "uses abusive or insulting language of a nature likely to create disorder." I would suggest that the Member for Edmonton-Highlands is imputing motives that are not valid. In fact, I think he has totally misspoken, and I would ask that he withdraw what he has said because he is making allegations that I think are quite out of order.

THE ACTING SPEAKER: On the point of order, hon. member.

MR. MASON: Well, maybe, Madam Speaker, it would be helpful if the member could specify what statements created such offence.

MRS. O'NEILL: Madam Speaker, if I may, I'd like to point out that the Member for Edmonton-Highlands has suggested that the government would be making money from and certainly would be assisting certain businesses by virtue of our expenditures in this supplementary estimate and benefiting from our plan of allocating these funds. I take it very seriously. I think it's quite inappropriate.

THE ACTING SPEAKER: Hon. member, do you wish to speak?

MR. MASON: Madam Speaker, I certainly didn't intend to indicate that there were specific favours in return for campaign donations, simply . . . [interjections] No, I did not. I simply said that it is well known that the Conservative Party receives a great deal of campaign financing from corporations, and it is also well known that the Progressive Conservative Party also does a great deal for the corporations in this province.

THE ACTING SPEAKER: Sometimes when the debate takes place and I ask members to go through the chair, this is often why, because then we don't have the discussion going back and forth. You are addressing the Assembly through the Speaker.

On the point of order as raised by the hon. Member for St. Albert, (h) and (i) talk about "against another member." The chair did not hear the hon. member speak against another member.

I realize it's 5 after 10 on Tuesday night. I would just ask that we try to do two things, to go through the chair and to talk about the bill that we have in front of us, and avoid some of these side discussions and some of the side remarks, and then this type of thing won't happen.

Thank you.

Debate Continued

MR. MASON: Thank you very much, Madam Speaker. I will attempt to sum up, because I think the point that I'm trying to make is that if the government were more diligent – and I've just used the example of one department and tried to draw upon the Auditor General's report to make the point – in ensuring that there were planned expenditures and that there was accountability within the system, then we would not be asking this Legislature to rubber-stamp postfact an expenditure of a billion dollars. It shouldn't happen.

You know, I suppose the more cynical of us would certainly think that the timing is suspicious relative to the election. That's for sure. I will not be supporting Bill 28, and I also will not be speaking for 20 minutes, although I'm taking direction from my colleague here in the Official Opposition and learning how to speak for more than five minutes at a time.

Thank you, Madam Speaker.

THE ACTING SPEAKER: The hon. Member for Edmonton-Centre, followed by the hon. Minister of Government Services.

MS BLAKEMAN: Thank you. I'm pleased by the opportunity to speak in second reading to Bill 28, the Appropriation (Supplementary Supply) Act, 2000 (No. 2). This is asking us to approve an additional \$979,321,000, so almost a billion dollars in expenditures, which is a lot of money considering that the total budget that we just approved mere months ago was around \$16.1 billion, as I remember. As the Member for Edmonton-Highlands has pointed out, we're not even three-quarters of the way through the year and already there's a billion dollars more that has been spent without the prior approval of this Legislature, which I think is probably also a vote in favour of having this Assembly sit more often. If the government is going to be so keen on coming up with additional expenditures and no plan, then perhaps we could be of assistance to them in that planning if we were all in this Assembly. Even better would be an all-party committee, which we've often suggested, which would maybe cut down on some of the rancor which is created here.

Now, as I look through the list of departments that are asking for approval for additional funds, which I'm assuming many of them have already been given and have spent, the Auditor General is asking for more money to advise and audit all of the government services. That's an interesting one, because the Auditor General is actually quite a small department, and they get great sympathy from me in trying to follow this government around in tracking these expenditures. It's certainly not a smaller government. It's a larger government since I got here, and in trying to track that money, the Auditor General is in need of additional staff to help him do that. In particular, I understand that additional money had to be expended to pay for outside accountants to deal with the extra workload of coping with the move to the children's authorities, both to give advice and also to attempt to create the audit trail and track the audit trail on setting up those children's authorities, which seems to have created some large snags in the system. So that was a little over a million dollars for that.

You know, when you consider it, that's a fair amount of extra money to help chase down what happened when the government tried to start yet again another delegated administrative organization and push the responsibility for delivering services onto these regional children's authorities. No doubt they will experience the same frustrations as the regional health authorities did in that they have the responsibility to provide the services but don't in fact have the authority to do it because they don't have the authority to get enough money to provide the services that they're mandated to do. So I'm sure we'll be hearing more about that department in the future. The short-term result of it was that there was more than a million bucks that had to be expended by the Auditor General on that one.

I notice that under Agriculture, Food and Rural Development we have \$98 million in farm assistance, and I certainly don't begrudge those farm assistance programs. I'm more than willing to work along with everyone in here to discover how we can protect and promote and make the family farm stronger. But when I look at that, I'm also looking through the rest of them for what is comparable assistance to the metropolitan areas. Certainly I have to answer questions from people in Edmonton-Centre who say: "Well, what kind of assistance did we get? What assistance was available to our small businesses? What assistance was available to us here?" So I think they're looking for parity, and I can't fault them for that. But I also can't deliver them an answer why that happens and we don't see equal programs happening in the cities.

10:10

When we were debating supplementary supply, I asked the questions that I wanted and sort of got answers from the minister about how the increases to the employee wages were being distributed. I asked the minister to please ensure that the groups that were affected got clear information on how the money was to be distributed, how much into each area and exactly what that meant, because the groups that had spoken to me within days of my raising this, I think two days before, said that they still hadn't heard. They'd heard a rumour that the money was coming, but they weren't at all sure what area it was supposed to go into, how it was supposed to be done, how much they got. The minister was able to assure me that future budgets would in fact be raised to cover these increases and that it wouldn't be a onetime raise which was then rolled back come the first of April once we're past this one-shot injection here.

I also was able to speak during supplementary supply at length on community development, so I don't need to spend any more time on that. Well, actually I do need to spend more time on that, but I won't because this is my opportunity to comment on some of the areas I haven't been able to speak to.

Two days. Two days of debate on a billion dollars. I still find that shocking. Two days, and one of the days was two hours long. Thanks to the stamina of my colleagues here, we were able to get in almost four hours' worth of debate on supplementary supply yesterday. Six hours. Six hours of debate on a billion dollars. That will never sit right with me. It just does not seem right that that's all that's allocated. I know the government feels confident that they've discussed all of this internally, but that's not the point. The point is that this money is to be approved in this Legislative Assembly after full debate, and six hours for a billion dollars isn't full debate, not in my books, not in the books of the people that I represent. We haven't been able to ask all the questions that our constituents bring forward to us, have them asked and answered in this House. I still object to that. [interjections] Well, give me time. Are you willing to let me speak for more than 20 minutes? Okay. Well, when I hit my limit, I'll ask for more time.

MR. DICKSON: You can go back and reference the previous *Hansards*.

MS BLAKEMAN: Yes, of course. I can go back and check *Hansard* for all those questions that were asked that weren't answered. Yes, you're right. I will come back to that.

Okay; I'll look at Environment. I notice there's \$33 million being spent there on fire control, if I'm remembering right, which pretty much always comes forward as a supplementary supply item because the government doesn't particularly budget up front for that, which again I always sort of question. You know that there are going to be some fires. Why isn't there some of that money in the budget? No, it always comes forward as a supplementary supply.

Government Services is a million and a half, which is a modest sum out of this billion dollar budget. My compliments to the minister for holding that one on the line. Then \$280,000 in compensation to the Alberta Motor Vehicle Industry Council for revenue lost due to changes in regulation. That wouldn't be being in the business of being in business; would it?

AN HON. MEMBER: No.

MS BLAKEMAN: Good. I'm sure the minister will talk about that.

Seven hundred thousand dollars for information systems enhancements, and \$520,000 for landlord and tenant advisory services in Calgary. Now, that one sounds like a good investment of money.

I'm sure people in Calgary really appreciate that, because we've all – well, I can't speak for the rural members, but, boy, I can tell you that any of the members in the cities get quite a few landlord and tenant questions and issues, and there isn't a heck of a lot that we can do for them under the provincial legislation. There's the Residential Tenancies Act and one other – I'm sorry – that I can't remember off the top of my head.

AN HON. MEMBER: Mobile home tenancies.

MS BLAKEMAN: Oh, mobile home tenancies. No. Sorry; I don't deal with that in central Edmonton.

There isn't a lot that we can do for them. They're looking for more advice about how to handle the situation. [interjection] I think that would be very helpful. I know I'd like to see an expansion of what's available through Landlord and Tenant Advisory in Edmonton.

In Justice there's \$1.45 million, which is partial funding of initiatives for recommendations out of the Children's Forum and the Task Force on Children at Risk report. That's a million dollars, and the remaining half million, "for increased funding to contracted agencies and service providers to support employee compensation adjustments" – now, that's certainly an issue I've talked about a lot in this Assembly. With the increase in contracting out to either nonprofit organizations or private organizations, private companies that provide services that the government used to, there became a huge wage disparity between what government workers doing the same job were getting . . . [interjection] You're addressing it, and I'm giving you compliments for addressing it. Would you rather I not? I can harass you about something else if you'd prefer, but I thought you'd like to hear it.

THE ACTING SPEAKER: Hon. member, through the chair.

MS BLAKEMAN: I am sorry. Absolutely. Your wisdom is coming from the front in waves, and I regret deeply not having directed my comments to you.

AN HON. MEMBER: That is sarcastic.

MS BLAKEMAN: No, it isn't sarcastic. It's absolutely true. She certainly dispenses wisdom from there. Do you not consider it wisdom? I certainly do.

THE ACTING SPEAKER: Hon. member, through the chair.

MS BLAKEMAN: It is through the chair.

THE ACTING SPEAKER: Not back and forth.

MS BLAKEMAN: It's your wisdom being dispensed. It's wisdom. It's just not sticking. I don't know. All right.

Municipal Affairs at \$21 million. There's a fair amount in different areas that's being assessed here, and I don't have the expertise to talk about it in a short period of time, so I'll let someone that has more experience do that.

Now, there are two areas I'd like to concentrate on. One is infrastructure and the other is health. I've raised this previously, but I just feel so strongly about it that I have to raise it again because it's really affecting the schools in the constituency of Edmonton-Centre. There's a little over a quarter of a million dollars that went to schools for growth pressures and the school facilities evaluation project. What I'm concerned about here is that previously when we

asked questions of the government about why weren't certain schools that were so in need of repair or money being put into it, we were told: "We don't make the list. The school board makes the list. When we've got the money, we give the money to them, and they take the first priority off the list."

What happened with this school facilities evaluation project is that a different list got developed with different criteria than what the school boards were using. I know that the MLA for Spruce Grove-Sturgeon-St. Albert had also talked about this, where I think she had a school that was number one on the list and it turned up as number nine on the other list.

MRS. SOETAERT: It was priority one, and they chose priority seven.

MS BLAKEMAN: They chose priority seven, and that absolutely reversed them.

I certainly have schools where I'm really concerned about the health of the students that are in them. They were rated at a high priority by the Catholic school board that was in charge of it, and it's not happening for them.

10:20

So I guess there are two issues here. How are we falling so far behind in maintenance of schools? I think in some cases it can be argued that we've created unhealthy spaces for children to be learning. With the increasing number of respiratory problems that we see from kids, to have them in an enclosed space with a very old furnace system, with poor ventilation capabilities, with old wood floors and old carpets and chalk dust, this is not a healthy atmosphere for a lot of these kids. It's not a good place to be learning, and I don't think in the end it's a safe place for those kids if we're making them feel ill or causing them respiratory distress. Because this is the classroom they've got, they've got to be in there.

So I still struggle understanding the choices that this government makes about where our money is spent in this province. I think that our schools and our children deserve more of that money, frankly. They are our future. There's a lot said by members of the government about how much they value families, how much they value students, but I just don't see that manifesting itself.

You know what? There have been a few of the very old schools in my riding that have received some upgrading, but there are several that have not and really need it. Then to find out that a different criteria is picked off by this school facilities evaluation project – I don't understand what went behind that, and I guess I'm challenging the assumptions that were made there. If the school boards have been trusted for X number of years to come up with the priority rating, what's wrong with them now? Why did their priority rating get put aside in favour of another one? I still have not heard a satisfactory explanation for that.

Health and Wellness funding I have not had an opportunity to speak on. You know, I've heard a lot from the government about onetime spending and injections and addressing pressure points, and none of this to me says rational plan. From everything I've experienced in my life – and I think there are many lessons that are easily learned out there in the real world. You know, you can waste money if you don't plan how you're going to use it, and you end up with onetime spending to stopgap a pressure point or however you want to put this. But that's not the best use of that money and the most efficient use of that money. Certainly the Auditor General had a lot to say about that in his '99-2000 report. You know, pointing out that more money was spent than was originally budgeted I think was one of the comments he made at one point.

Where is the plan? I keep seeing the government make choices here that are equivalent to someone coming to me with a project and saying, "This a \$40,000 project," and I in place of the government say: "Okay, fine. Then I'll give you \$25,000." And the person says: "I can't do the project for \$25,000. I can't do a good job at it. I can't achieve the performance measurements. It just won't be a very good project." "Well, \$25,000 is what you get." So the person tries to run the project. They can't hire as many staff. They get a smaller office. They make do with some borrowed equipment or something. It's obviously going to be a short-term project now, not one that's going to be ongoing. But wait. You know, a couple of months before the end of the term I'm going to go to them and say, "Okay, I'm going to give you the missing \$15,000 for your project."

Well, there's not much the project manager can do at that point. Most of the year's gone. It's not as though they can go backwards and somehow hire staff that they would have had in place for, you know, eight, nine, 10 months. You can't go back in time that way. I suppose you could manage to give raises to the existing staff for the few remaining months, probably raises that they well deserve, because the choice was made to pay staff less in the first place because they only had \$25,000 for the project.

What ends up happening is that because you can't do anything to sort of put the project back on the plane that it was supposed to be on — a lot of times choices are made: "Okay, we've got this money. We've got to spend it before X period of time. Well, we'll buy stuff, and then maybe next year we won't have to buy the stuff and we can put that money into the office space and the staff and the program services. Maybe we can keep the project going that way." So, you know, they buy the computers and they buy the photocopiers, whatever. But this is not good planning, and they're not going to be able to search around for a deal when they're running around with their 15 grand clutched in their fist, going, "Quick, quick, find me a photocopier. I've got to spend the money by such and such a date." It's not an efficient way to use what should be limited resources. This is taxpayer money we're talking about. Yes, in this province 35 percent of our budget is still money from resources. [Ms Blakeman's speaking time expired] Oh, permission to have my time extended.

THE ACTING SPEAKER: I'm sorry, hon. member, but under Standing Order 29(d) that's impossible.

The hon. Minister of Government Services.

MRS. NELSON: Thank you very much, Madam Speaker. I wanted to talk about Bill 28. I usually get in once or twice during the debate on the appropriation bills. Tonight I thought I would get in now as opposed to a little later on. I guess some of the comments from the members opposite made me decide to get involved.

They talked about planning. I'm a member of the Treasury Board and have been on the Treasury Board for a number of years, and I've watched the fluctuations of the revenues that we're able to deal with go up and down like peaks and valleys. When the hon. Member for Spruce Grove-Sturgeon-St. Albert started to talk about no plan, there was very clearly a plan that was laid forward to put our fiscal house in order. She will remember that there were actual acts passed and laws passed in this Legislature to ensure that this government and this province had a plan that would take us into a position where our fiscal position would be such that we would be able to have a long-term plan future not only for us but for everyone else.

I heard a little yipping in the back row there about \$30 a barrel. I'll remind hon. members that about 18 months ago, maybe even less than that, we were sitting at \$13 a barrel for crude oil. It may not even be 18 months. The fluctuation in the crude prices has been

fierce. We saw in a six-week period an increase in crude prices of \$10 a barrel, which is a phenomenal swing in a commodity that we have absolutely zero ability to control or impact what that price will be.

We also saw at the same time a major increase in natural gas. It wasn't that long ago that natural gas wasn't even a separately traded commodity. It was rolled into the same revenue base, and it was very difficult. I've heard people talk about what a terrible thing it is to have the price of gas up at \$4, \$4.50, \$5, \$5.50 an mcf for gas, that this is terrible, terrible, terrible. I remember also when in my past portfolio as minister of energy we were sitting at 99 cents an mcf for gas, and nobody whined about how terrible it was to be down at 99 cents. It wasn't enough. So then we went up, and then we went down.

What I'm trying to explain is that the plan that this government laid out dealt with a responsible way to do two things: first, to eliminate the deficit and, second, to pay off the debt. The debt we all agreed was the burdens of the past. None of us could change it. We all wished we could. The fact remains that it was there.

If hon. members look at the budget and the second-quarter report that was filed by our Provincial Treasurer, they clearly can see that the debt-servicing cost, which when we started off was just shy of \$2 billion a year for interest payments on the debt that the province was carrying — today, because of the plan that brought down systematically the cost of our debt, we are now looking at well over a billion dollar reduction in the interest expense that we are paying. That reduction in that interest expense becomes long-term forever freed-up dollars that can be used for program expenditures. In the interim, when we have additional revenue from our operations in a given year, we are able to deal with some of the backlog, the pileup that hasn't been able to be dealt with because quite frankly we did not have the money.

10:30

While we were clearing our deficit and paying off the debt to bring down that interest expense money so we would have program funds, we were doing reviews. In fact, the Department of Infrastructure did an extensive review on the backlog of infrastructure that needed to take place within this province that hadn't because we didn't have the money. That involved school construction. That involved road constructions that were way behind. That involved upgrades in our health facilities, our postsecondary institutions, et cetera. We also had a school facilities review that was put together to help us identify the need areas that were immediate and those that could be stretched out as we had more dollars made available.

This year in our budget we did not budget for our oil revenues to be over \$30 when we started off. There are a number of reasons. When you're looking at budgeting for a commodity, you look at what is happening in the world market. Well, at the time we were doing budgets, we had requests, which I found, quite frankly, rather odd, from Canada and the United States to the OPEC nations to turn the taps on, to bring down the price of crude oil.

When I was back in the oil patch, we were doing the absolute opposite. OPEC was going in and turning the taps on and driving the price down to where we almost destroyed the industry. All of a sudden the United States and Canada were begging them to turn the taps on to drive the price down. Instead of saying that this is good because we have additional operating revenue coming through this year that can accommodate some of the backlog of projects that were not able to be accommodated because of the lack of revenue base, here we were out asking for a drop in revenue.

It didn't happen. In fact, revenues went up even more because of supply/demand needs within the marketplace. As a result, because

Alberta is fortunate enough to be the 10th largest producer in the world, we were able to take advantage of the increase in revenues that were coming through. In fact, our revenues went up to \$23.6 billion on our second-quarter forecast. That freed up some dollars to catch up on the backlog on our infrastructure that we had not been able to do.

We still were not able to put this into program spending, because that would mean we'd have to be assured that our revenue base was going to stay up there in the longer term. We made a commitment as a government that we would not spend money we didn't have coming in, because it's against the law in this province to run a deficit. It's also against the law for us to expend any more than 25 percent of any additional operating revenues that come in in a given year until the debt is paid off.

Now, this year we were able to put dollars out into some of the pressure points that have arisen because of the backlog, because of the growth scenarios at all levels of government in this province. The Member for Spruce Grove-Sturgeon-St. Albert said that none of these things apply or meet the requests of her constituents. Well, if these don't fit into your constituency, then there's a real problem in your community. I can't think of one community in this province that would not be grateful to have some of this additional operating revenue flow through to meet some of the demands within the community, whether it is to put in the road construction they've been wanting for quite some time, to upgrade some of the schools, to put in some of the new schools.

I'm like you. I have one of the fastest growing constituencies in this province. In fact, between the last election and this one, I have 6,500 new houses. I need schools. However, the school demands from the city of Calgary were different from what, naturally, I would like to see, so I did not get a school, but hopefully in the next go-round I will. I accept the reality of life that there are other pressure points that have to be dealt with first. [interjections]

There are other things that all of a sudden came forward in some of the major centres and into . . . [interjections] Are you going to keep yapping over there, or are you going to listen?

THE ACTING SPEAKER: Please, through the chair.

MRS. NELSON: Madam Speaker, I was absolutely amazed, though, by the other member that spoke who talked about the \$33 million that went to Environment. Well, \$29 million of that went to fight forest fires. Nobody can predict what the forest fire situation is going to be in any given year. We've had fluctuations in this province of over \$80 million in a given year. No one knows what that will be, but the thing is that when it happens, we have to respond, unless the hon. member is suggesting that we just let it all burn away. You know, I don't believe that to be true. So when we have to put dollars into Environment to do forest fire fighting, it has to be there, and we have to come back to this Assembly to have that approved.

In this same budget there was \$1.2 million to upgrade airstrips to get in to fight those forest fires. If you can't get in there, how are you going to land them if you don't have a decent runway for them to land on? It's not safe. So you put \$1.2 million in to upgrade the airstrips.

[Mr. Herard in the chair]

You know, we get into the health area. How can anybody object to the funding that's going into health? In health, as we know, there'll never be enough money to do it all. We all know that.

There never will be enough money to do it all, but when we have isolated areas and we put \$3.4 million . . . [interjections] You're not in the debate.

THE ACTING SPEAKER: Hon. members.

MRS. NELSON: Mr. Speaker, when we get into areas of health and there's \$3.4 million in response to the Task Force on Children at Risk report, how can anybody object to that? That money is critically necessary. It's so very important that we deal with some of the instability within our youth programs and that we provide these children at risk programs. They have to be there. We are in a position because of the additional operating revenues to be able to deal with that today. We were not able to do that before.

We look at the \$10 million going into the nursing development initiative. We've heard people say that we need that development, we need that initiative to come forward now. We're in a position this year to deal with that.

We look at the \$13 million for the Alberta Mental Health Board. Surely no one could say that that is not in the best interests of Albertans. Surely they couldn't do that.

I'll refer members to page 46. We've tried to be explicit on how these dollars have been allocated. This doesn't happen in an hour meeting. This takes months to go through and try and allocate these dollars as best we can. In fact, we've even summarized them in this supplementary estimate report. It tells why we put dollars into the various regional health authorities: to reduce waiting lists, to look at long-term care facilities, to deal with salaries, and, yes, to deal with MRIs. Part of the debate on the MRIs was: is the federal government going to come into the supposed partnership? Well, it didn't, so we are not waiting for that. We're moving forward because we know we need to have these MRIs in place now. So when you look at this, we tried to put this out in as much detail as possible so that hon. members have an opportunity to clearly understand where these priority areas are going and what they're used for.

I look at the \$6 million that's going to assist in the construction of the information and communication technology centre at NAIT. This will allow an increase of a thousand students to come into the program. We've heard about waiting lists. We've heard about backlogs. Surely nobody can object to that. These are obvious pressures and demands that have to be met, and this year we're in the position with additional operating revenues to deal with these pressure points.

10:40

Hon. members, the hon. Member for Spruce Grove-Sturgeon-St. Albert says: let us debate. Well, she hasn't debated at all. She turns around and isn't even listening to the topic.

The Member for Edmonton-Centre said that she had a bunch of questions. I asked her to give me her 10 questions, and I didn't get any. She talked for 20 minutes without giving her 10 questions. I wish she would give her 10 questions, and then we could in fact get back to talking about them.

She talked about the Ministry of Government Services, on AMVIC, and indicated what was the \$280,000 in AMVIC. Well, that was in support of the industry council, because what you had was a mismatch. [interjections] Just a minute. Don't tell me what it is. I'm going to tell you. It's my ministry.

Mr. Speaker, this program was put in place to be self-regulatory. It's gone through a transition process and actually got caught in the middle of the fees and service review program. This is the final draw on this funding to transition AMVIC forward so that it takes over the investigative and regulatory and licensing process through

the motor vehicle industry. They've done quite a job actually. They had over 91 investigations that were very, very important investigations through the program.

The other thing was the \$520,000 for the landlord and tenant advisory service in Calgary. I talked with the Member for Calgary-Buffalo earlier on that.

AN HON. MEMBER: Money well spent.

MRS. NELSON: It is money well spent, but it's a disappointment for me, I have to admit, quite personally. This was a situation where our major centres, Calgary and Edmonton, were offering this service for over 20 years and doing a very fine job, quite frankly, of dealing with difficulties under the landlord and tenant act directly, having firsthand knowledge of the community, of the landlords, and of the tenants for over 20 years. This year the city of Calgary's administration said that this wasn't a core program for Calgary, and literally said: we're not going to do this any longer.

This is a vital service for citizens in Calgary, they do a wonderful job here in Edmonton, and I'm terribly disappointed. I did try very hard to convince the council members and the mayor to maintain this program because of the service it does offer. I thought I had it worked out with them that they would continue on, and then this fall they informed us that they were not.

The difficulty I have is that we're going to have to run this program from here. I don't believe we'll be able to offer the same calibre of service that we could have from Calgary directly. I'm hopeful that the city of Calgary will change their mind and continue on because I think the program has been extremely effective.

So we're going to have to add extra operators here to pick this program up so that we can answer those calls and questions. [interjection] Well, they walked away from it. Edmonton has done a tremendous job. They are planning on keeping theirs, and I would encourage them to because they do a wonderful job in all honesty.

This one I'm not happy with, I have to be honest with you, but we cannot desert the difficulties that will arise in Calgary. That's why these programs are there, and that's why we've spent a lot of time on that one program alone. I've probably spent as minister five months trying to resolve this, to no avail.

So when someone says there's not a lot of planning and a lot of thought, I take great exception to that. We have spent as departments and ministers the good part of five or six months going back over numbers and trying to find ways to handle as many pressure points as we possibly can. We haven't hit them all, and I hope no one would expect we would, because we still have to follow the Fiscal Responsibility Act in this province. We still must follow the law, that says we have to pay down our debt. Quite frankly, if we get that debt cleared off, there will be 900 million additional dollars that can go into program spending. We're not far off, but we haven't completed the job. So we must stay the course and get that finished so we can in fact have additional dollars for programming.

Mr. Speaker, those are my comments for second reading, but I hope hon. members will think when they get into this debate.

THE ACTING SPEAKER: The hon. Member for Edmonton-Mill Woods.

DR. MASSEY: Thank you, Mr. Speaker. I'm pleased to have an opportunity to make some comments this evening about Bill 28, the Appropriation (Supplementary Supply) Act, 2000 (No. 2). I'd like to address my remarks primarily to the \$235 million for school facilities to address growth pressures and renovation and modernization, the backlog that was identified by the school facilities evalua-

tion project. I think it's fair to say that across the province school boards and parents welcomed the money that's being put into those facilities, but I think it's also fair to say that there has been a great deal of unrest and a great deal of dissatisfaction with the lack of facilities and the lack of money that's been available to address the problems over the last six or seven years. That backlog has resulted in some peculiar problems that are going to be very difficult to face over the long run.

The problem isn't an urban problem; it's urban and rural. I hear from school boards, I hear from people in small centres in the province who are frightened about the future of their school and the impact the closure of those buildings would have on the viability of their community, and I also hear from people in major centres, Calgary and Edmonton, who are disturbed about the impact the lack of a neighbourhood school has on their neighbourhoods. So it's a problem that goes across the province from border to border and involves both public and separate school supporters.

One of the real difficulties is the way in which the funds are distributed. For years now the government has used a utilization formula that looks at the amount of space that a school district has and bases any new moneys on the percentage of that space that's occupied by students. That formula, Mr. Speaker, is a most destructive formula. It destroys communities. It pits neighbour against neighbour. It's something that I think has to be changed. I think yesterday we were shocked by the death of a youngster in a Calgary high school and, prior to that, the death of Jason Lang. We have to ask ourselves, in terms of the kinds of communities that we're building: how wise is it to predicate the education of more and more youngsters in this province on sending them out of their home communities and allowing them to be placed in situations where they are absolutely anonymous?

10:50

I was at a Jackson Heights parent meeting where they're asking for a new junior high school, and one of the parents there made the argument most eloquently. She said: "We need a junior high school in our neighbourhood. I want to know where my junior high school youngsters are." She said: "If you're going to bus anyone, bus out the young ones. We don't worry about them." It's the junior high and the high school students that leave the confines of our neighbourhood and our community. There's no one that knows them, no pressure from the adults in the neighbourhood, no one that calls them to task for their behaviour. It's tragic, and it's rooted in large part in the utilization formula that's been applied over the years and that's still being applied. I think the government should just honestly say that there's only going to be so many dollars put into infrastructure for schools rather than playing this game with the utilization formula and using it really as a mechanism to cap costs for school buildings.

Information and evidence from at least a couple of boards I've been informed about that they've provided in terms of busing students over a 25-year period is that with what they paid for that busing, they could have had a building in the community for the 25 years and would still have the building after the 25-year period had passed. So the whole notion behind restricting the building of schools is one that the government should revisit.

In terms of accessing the funds from the government, I think there's a growing dissatisfaction with the separation of the capital projects and the capital budget into the Department of Infrastructure from the previous department of education or the Department of Learning. If you look at the Auditor General's latest report, on page 186 the Auditor General comments on it:

We noted opportunities for improvement in linking the information on strategic education program delivery, as developed by Learning, to the capital plans for school facilities.

There are several references by the Auditor General about the discrepancy. Infrastructure is sitting down and making plans and Learning is sitting down and making plans, and there's a mismatch. That doesn't serve Albertans well. It certainly doesn't serve the accommodation of schoolchildren well when you have that mismatch.

The Auditor General, in questioning at Public Accounts, indicated that there were some real concerns that the money being spent by Infrastructure on schools was being spent in the most effective and efficient manner and one that was congruent with the goals and aims of the Department of Learning. So I think it would be well worth the government looking at those two departments and evaluating how successful the split has been in meeting the needs of school districts at least. I'm not sure what the experience is with health facilities.

One of the things that has been lacking from the word go in this Assembly since 1993 is a long-term plan. We've had a couple of MLA committees tour the province and conclude that there was \$750 million worth of backlog in school construction. We've had a recent audit by the Infrastructure department. There's still no long-term plan. Again, it's not just the opposition saying that; it's confirmed by the Auditor General, and that's the reference on page 185. Referring to the Department of Infrastructure, it says:

The Ministry also requires information on strategic service delivery options and forecasted needs to develop strategic long-term capital plans. Such information would include strategic policy changes, options, and priorities as well as forecasted needs based on economic analysis and projected demographic data.

That, I think, has been our concern for years in this Assembly, that there wasn't that long-term plan, and there still isn't a long-term plan. Here we are spending an additional quarter-billion dollars on buildings, and it's being done in the absence of any kind of strategic planning or long-term planning. I think that's regrettable.

I was at a meeting in Jackson Heights in Mill Woods, where the parents were requesting a junior high school, and a representative of the Department of Infrastructure informed the meeting that decisions were made by the School Buildings Board and, further, indicated that the School Buildings Board was an independent body. I find great difficulty with that. The School Buildings Board is appointed by the government. One of the difficulties, of course, is that it's impossible to appeal their decisions. So there'll be decisions made that are not consistent, for instance, with the priorities of a particular school district, and there's no appeal to that decision. Again, I think that's unfortunate.

It raises the question that was raised earlier in question period today, and that is the whole business of priorities. School boards across the province go to great lengths to do demographic studies and projections, to survey their communities, to balance the kinds of needs as they see them in their districts and set down on paper and submit to the government a list of priorities as they see them that would be best for their community. They find it distressing and frustrating, to say the least, to find those priorities ignored.

There have been a couple of examples given already this evening. A board west of the city that submits a list of priorities and finds the number one priority ignored and the number seven priority funded by the government. That's not a singular case, Mr. Speaker. That happens time and time again across this province. Again, I think it does a disservice to the department when those kinds of things happen, and it certainly erodes any kind of confidence that decisions are being made on any sort of fair and equitable basis in terms of the allocation of those funds. So in applauding the spending of this \$238 million, it's done within the context of a real worry that funds

are not being allocated as effectively and as fairly and as openly and as transparently as those school boards and those parents, who depend upon the government for the financing of those facilities, would like.

I'd like to conclude my remarks, Mr. Speaker, with a plea again for long-term planning. I looked at some projections for Edmonton public schools, and by the year 2010 Edmonton public is going to have 100 schools that are 50 years or more of age. That's a huge inventory of old buildings, and I don't understand, I can't see how the province is going to possibly meet the needs that district will find itself in the middle of come eight, nine, 10 years from now. They aren't alone in the province. I suspect that the stock in Calgary and other urban areas and in some of the rural parts of the province is aging and that the aging pattern is similar elsewhere.

11:00

So I go back to the plea for some long-term planning – certainly there's been enough information gathered by the government to make that kind of planning possible – and that again, when that planning is undertaken, the people it's going to affect be included in the discussions.

I'd conclude with those comments, Mr. Speaker.

THE ACTING SPEAKER: The hon. Member for Medicine Hat.

MR. RENNER: Thank you, Mr. Speaker. It's my pleasure to have an opportunity to speak on the appropriation act this evening. I've been listening to the opposition members talk about this act, and frankly I think they've really missed the boat. It's not the first time, but I think that it's really necessary that I have an opportunity to talk about the appropriation act, the budgeting process, because it's obvious to me that despite the fact we've been talking about the budgeting process here for the past two or three years as we have been dealing with eliminating our deficit and now working towards eliminating our debt, they still haven't figured out what it is that we're doing and why we're doing it.

Let me begin by using a bit of an analogy, and then if you'll excuse me, Mr. Speaker, I'll certainly bring it back to the bill at hand. Before I became a Member of the Legislative Assembly, as you know, I managed a small business. In our small business we did things in much the same way, only on a much smaller scale, as what we do here in the Legislative Assembly and the government of Alberta. At the beginning of each year we would sit down and put together a budget, our best guess of what we could reasonably expect to have in income and what we could reasonably expect to require in expenses. We made the best efforts to develop that budget, and at the end of the year, like here in government, we wanted there to be a bottom line that was doable. What I mean by that is that if we estimated our expenses too low, then we would have a problem at the end of the year. If we estimated our income too high, we would similarly have a problem at the end of the year.

[Mrs. Gordon in the chair]

Well, what we do here in Edmonton in the Legislative Assembly – and we went through this spring a very prolonged process of going through government estimates. We went through that beginning of the year process, and the Provincial Treasurer used the best efforts, the best statistics available at the time to estimate what reasonable amount of income the government could expect.

One of the differences between government and small business is that with the exception of resource revenue, the projections that governments can make for most of the other sources of revenue are

relatively consistent. The nice thing is that when we determine what the tax rate is going to be, with a relatively small margin of error we have a pretty good idea how much revenue we're going to derive from taxes. That's because everybody has to pay, unlike with a small business, where when you estimate what your revenue is going to be, it's dependent upon people choosing to buy your services. In government we require them to fill out tax returns.

We do have the issue of resource revenue, and it's been mentioned by a number of members throughout the discussion, not only in the debate on the bill but throughout the discussion when we were in Committee of Supply on these estimates. The resource revenue tends to be very unpredictable. As a result, in order for there to be any opportunity or any possibility of having something resembling a balanced budget at the end of the year, it's necessary to be extremely conservative in the estimates at the beginning of the year and ensure that if prices should drop, which they're prone to do from time to time – we've all lived through that – there is sufficient cushion, there is sufficient margin within the budget so that the expenses which we are committing ourselves to can be paid. That's the process we went through last spring.

At the same time, the government through consultation with the citizens of Alberta some time ago said to the citizens of Alberta: you know, there is something happening in the government of Alberta that we're very pleased about, that we're very proud of, but we need your assistance. What is happening is that as we begin to pay down our debt – and when we started this process, we were talking about some day having the fortunate position of having paid down net debt – we asked Albertans through a mailer how we should as government prioritize our spending when it comes to dealing with resource revenue, which frankly can be very unpredictable. Clearly, very clearly, Albertans said that we want you to focus primarily on continuing to eliminate the debt, but at the same time we also want you to have some flexibility to deal with emerging issues, to deal with areas of concern with respect to growth pressures that we're experiencing in this province.

So I think that very prudently the government made it a policy and then in fact took it one step further, brought that policy here to the Legislative Assembly, where it was passed, and we have now legislation that says that 75 percent of any unbudgeted revenue, 75 percent of a surplus, a cushion, whatever you want to call it, must be allocated to continue to reduce our debt. That's in accordance with what the people of Alberta told us.

With the other 25 percent there is some flexibility. There are a number of things that can be done with that 25 percent, and a number of those things I think you'll see reflected in Bill 28 in the appropriations that we have before us. There can be a portion of that 25 percent allocated to onetime spending in infrastructure. When I look at the bill in front of me, in the schedule of the bill I see there are \$419 million allocated to Infrastructure, \$293 million that's allocated to Health and Wellness, a good portion of which is infrastructure.

We also had the opportunity to say: now, at the same time as we're dealing in this 25 percent realm, it doesn't all have to be spent. Some of it can be recognized in the form of the recognition to the taxpayers of this province that perhaps more taxes were collected than were required in this particular year. We're in the very fortunate position this year of being able to do that as well. While it's not reflected specifically in this bill, that is certainly part of the overall package that we're dealing with as a Legislative Assembly, and that's the \$300 energy refund that will be forwarded to Albertans over the coming weeks and months.

11:10

That is also within that 25 percent envelope, and that is indicating to Albertans two things. First of all, we're in a position where we can refund taxes to individuals that were not required as a result of unforeseen revenues from the volatile resource revenue side of our income statement. Secondly, we have to recognize that although high oil and gas prices are beneficial to the province of Alberta in the form of royalties that are collected, there is also a cost of that that has to be recognized, because all of the residents of Alberta are having to purchase their gasoline, the natural gas to heat their homes, other utilities that are dependent upon natural gas, and those prices have increased. I think it really does two things. First of all, there is an opportunity to share the unforeseen revenue with our taxpayers and, secondly, to recognize that there are some additional costs that must be borne by the residents of Alberta.

That's really where we find ourselves this evening. We find ourselves at the midpoint in our budgeting process. Madam Speaker, I talked earlier about the analogy of when I had a small business myself, and I talked about how we did our budgeting. At the middle of the year, which is where we are in the fiscal year from a government perspective, we sat down and we looked at it and we determined: how are we doing? We had projected X number of dollars for revenue. Does it look reasonable that we're going to be able to meet the projections? Perhaps we've been very fortunate. Our marketing programs were very successful this year, and it would seem that we have higher than expected revenues.

What did we do? We did the same thing as the government is going through right now. We looked at our priorities. First of all, we considered: is there some debt that we are going to be able to reduce as a result of having increased revenues? Secondly, we looked at some of our expenditures. We look at, first of all, whether there were some capital expenditures that needed to be addressed. Finally, we looked at programmed activities. Are there some expenses that we perhaps have had unanticipated and that have arisen throughout the first six months of the year? Are there perhaps some areas where when we were calculating our budget at the beginning of the year, we really didn't allow ourselves to do everything that we would have liked to do?

A good example is that maybe we have a staff education training program and have budgeted to have 10 employees attend a training conference, and now we can change that budget and allow 15 employees to attend that conference. Those are the kinds of midyear adjustments that every business, small and large, in Alberta does. Those are the same kinds of adjustments that we as the people who have been entrusted by Albertans to look after one of the largest if not the largest business in the province of Alberta, the Legislative Assembly and the government of Alberta – that's exactly the same process that we're going through right now.

We have just completed an analysis of the first six months of operation, and we found a couple of things. First of all, our resource revenue is higher than anticipated. As a result of that, we have some additional dollars that we need to deal with. We have legislation in place that says that 75 percent goes to reduce the debt, and I think that's the smartest and the best thing that we could do. Then we look forward to see where there are areas where specific dollars can be invested that will enhance the value of government to Albertans and enhance the quality of life for our constituents here in Alberta.

Most importantly, one of the things where we have to be extremely careful, just as you have to be very careful when you're doing midterm adjustments with your small business – I talked about the fact that in a small business you might be able to increase for this year the number of employees that you would be able to send to educational programs, but you have to be very careful that this does not become something that is going to be an ongoing cost. Because

we've been fortunate enough to have unanticipated revenues, we can't make decisions this year that are going to impact upon every other year.

So we talk about increasing the budget in certain areas, but that's a onetime increase. And when you look at the vast majority of the items that are before us in Bill 28, again we're looking at onetime expenditures. There are some areas – and we have heard about them in the discussions this evening – that will have some long-term implications. But in relation to the \$978 million that we're here discussing this evening, those decisions and those areas where there are some long-term implications are extremely small.

I want to express my support for this bill. I think the appropriations have been well thought out. They are something that I can support, and frankly I can feel very comfortable on behalf of my constituents in Medicine Hat in supporting these appropriations. I compliment the government on their prudent fiscal management, and certainly I can assure you, Madam Speaker, that I will continue to represent my constituents in Medicine Hat and will insist that the government continue to operate, from a fiscal perspective, in the prudent manner which we're seeing reflected here this evening.

These are appropriations that are based upon midyear reassessments that make sense. They were unanticipated, either unanticipated at the beginning of the year, when you talk about areas such as forest-fire fighting, or they are the kinds of expenditures that can only be made when revenues, in the case of the government of Alberta resource revenues, are sufficiently high to allow for some interim onetime spending, which we're seeing here this evening.

So I encourage all members to support this bill. I look forward to the vote on this bill later this evening and of course to continued debate when we get to third reading tomorrow.

THE ACTING SPEAKER: The hon. Member for Edmonton-Gold Bar.

MR. MacDONALD: Thank you very much, Madam Speaker. I have been sitting and waiting anxiously to participate in the debate on Bill 28 this evening. I look at this, the Appropriation (Supplementary Supply) Act, 2000 (No. 2), and I have an urge to change this to the blink money bill, because certainly the government has finally blinked in this province. We know there's an election around the corner. The frost is getting deeper in the ground every night now, and I think before the spring rolls around and that frost leaves the ground, the government is hoping this blink money, this bill, will make the citizens of this province forget about the last seven years and what has occurred in their education system, whether the adjustments to the health care system are adequate. We find it difficult on this side of the House to support the latest installment of this supplementary estimate without some explanation of how the new spending will contribute to meeting defined outcomes.

Now, hon. members from across the way, Madam Speaker, talk at great length about the three-year business plans. Well, perhaps they need to revisit these business plans. We have close to a billion dollars in extra spending. In fact, this amount is the second largest unbudgeted spending by any Provincial Treasurer since 1986. A lot has happened not only in this province but in this country and in the North American economy since 1986. We had, of course, in 1988 the start of the free trade agreement. The free trade agreements have grown, and they've gone from America to Canada to Mexico and beyond. I'm going to get to this a little later in my remarks, but it is very important to realize the changes that have occurred since 1986.

11:20

Perhaps individuals have been asleep at the wheel, so to speak, because there has to be a process of budgeting so that this doesn't

occur year after year. I'm not going to start in 1986, Madam Speaker, and talk about the special warrants. I'm not going to talk about what occurred in 1992-93, and I'm not going to talk about what happened with the previous Provincial Treasurer and missing the targets.

Hon. members, I heard the previous speaker talk about how individuals may have missed the boat. Well, this budgeting process has missed the mark by a billion dollars, and that is a large sum of money. I don't care if you're a small businessperson or the chairman of a multinational corporation; a billion dollars is a billion dollars. I can go down through the list. I can see where the money is going, and I notice that Human Resources and Employment is not on the list. That must be a tribute to the individual budgeting that's going on by the minister and his department officials. They're not here looking for any extra money, so there must be sound practices. I would have to say to the other departments here in the government that perhaps they should take the hon. minister aside and say: "How are you doing this? Can you show us how this is done?" Obviously the leadership shown is good enough in that department, so perhaps it should be in all government departments.

What we're essentially doing here, Madam Speaker, is in six hours allocating a billion dollars. It is important that everyone work together to reduce waiting times for open-heart surgeries, joint replacements, other elective surgeries, getting the MRI business settled, cancer treatments, and the hiring of staff not only at the Cross institute in Edmonton but also at the Tom Baker centre in Calgary. These are important issues.

We knew what was going on with the shortage of health care professionals two years ago, but what did we do? We did a study, and then we squirreled it away in the Legislature Library, never to be seen or heard from again with the exception of the good research that was conducted by the hon. Member for Edmonton-Riverview. This report became public information. This isn't new news about Health and Wellness and how much money is needed. That should have been addressed last spring. There should have been a plan in place. There should have been a plan in place two years ago to deal with a shortage of health care professionals.

Now, in this budget I have to question how much money in Health and Wellness went into the propaganda campaign on the health care privatization act, Bill 11, as it was affectionately called by everyone. How much of this money was spent on that campaign? In six hours any member from across the way can certainly join the debate and enlighten not only this member but all Albertans.

Now, we heard earlier in the Assembly the remarks from the hon. Minister of Government Services. The home constituency, I believe, is Calgary-Foothills. I, Madam Speaker, had the pleasure of visiting Calgary-Foothills recently. I was in a fine school there. I was in the gymnasium. I was at a meeting there, a public meeting, to talk about pine shakes. Yes, pine shakes. I met an individual there by the name of Mr. Harry Chase, the nominated candidate for the Liberal Party in that constituency. He was outside handing out cards and literature in Calgary-Foothills. This was a fine school. The hon. minister is talking about more schools. I believe the number she used was those 6,500 more homes or 650 more homes. I didn't quite catch the number, but that is dramatic growth. I was astonished to get out of my car in the school parking lot, and I thought for a minute I was in Twin Brooks in Edmonton. I looked all around. There were pine shakes on every roof, and I thought: wow, there's trouble here; there's trouble here.

I see no amount of money in here . . . [interjection] It doesn't matter. I hear the word "treated" shakes over there. It's been brought to the attention of all consumers in the province, and now the treated pine shake is rotting just like the untreated pine shake.

There was no testing done. There was no testing done on this product.

However, it occurred to me, when I was looking through this billion dollars, that there was no sum set aside for the homeowners. Now, I look around the Assembly this evening, Madam Speaker, and in the communities of St. Albert, Sherwood Park, Banff-Cochrane, Calgary-Fish Creek, certainly Calgary-Foothills, or Red Deer-North there are citizens there who are really upset and are looking for compensation from their government.

I know there's polling going on because people phone me and they say, "Mr. MacDonald, someone in my neighbourhood was contacted." But I don't see any amount in there that is going to satisfy these individuals from all over the province, because they're very, very angry with their government. They feel that the government has been inadequate in their explanation: how this product was promoted and authorized by the government.

Also, in her remarks the hon. Minister of Government Services was addressing this House regarding the terrible thing about gas prices, natural gas prices. This party has a very solid plan to reduce gasoline taxes. A very solid plan.

MRS. SOETAERT: That's why they borrowed it.

MR. MacDONALD: Yes. I guess imitation is a fine form of flattery, and whenever hon. members leave this Assembly and move on to the federal political arena, they adopt our policies. Poof, just like that. Last summer we couldn't get them to talk about it, but this summer they were talking at length about our policies and adopting them.

However, the high price of natural gas and what it means to Albertans, what it means to an Alberta farmer. For instance, Madam Speaker, we think of the fertilizer plant in Redwater consumes an enormous amount of natural gas. What's that going to do to the price of fertilizer? That is one of the more unique fertilizer plants in western Canada and in the northwestern American states. Is the price of fertilizer going to be increased in the spring? It's going to increase because of the increase in the price of natural gas. We're looking at envirofuels out here on the east side of the city. It's feedstock, which is a derivative of natural gas. They've had a shut-in because their feedstock is not competitive with other jurisdictions in North America. So there are a lot of things happening here that we need to address in this Assembly.

11:30

We think of the price of ethane. I bring to the attention of all hon. members of this Assembly the statement that was made by the economics professor from the University of Calgary, Professor Robert Mansell, I believe. The statement went something like this, Madam Speaker: it is a major policy shortcoming of this government of how we have addressed the ethane issue in this province. Everyone knows that the economy has expanded here. Ten percent of all economic expansion in the decade of the '90s was as a result of the petrochemical industry, its expansion. The economy expanded around it. That expansion is going to stop because of this government's ethane policy.

I was in the library this afternoon, Madam Speaker, looking up electrical prices, and I noticed in one of the three budget documents that the amount of ethane used in this province, whenever you look at the total production in this province, has gone from 32 percent down to 29 percent in one year, yet the industry has expanded. So we have to look at our pipeline capacity. It's fine to say that we have to look after the producers of natural gas, but we also have to look after the resources of Albertans, and this government is not looking after the resources of Albertans so that they're going to be available perhaps for value-added manufacturing in the future.

Now, this is a University of Calgary professor who was saying that this is a major policy shortcoming of this government, a major

policy shortcoming. We need to have a good look at this. We have to consider in this the methanol plant in Medicine Hat. Energy prices: are we going to have to have another bill? Are we going to have to have another series of rebates for farmers whenever the high price of fertilizer occurs? Natural gas: are we going to have to have some sort of rebate for envirofuels? The methanol plant in Medicine Hat.

THE ACTING SPEAKER: Excuse me one moment, hon. member. I would remind the Assembly that we are not in committee. We don't need quite this many interjections.

Go ahead, hon. member.

MR. MacDONALD: Thank you, Madam Speaker. I am very, very concerned about what is happening in this province, because – and this bill is no reflection of this – I believe at this time in the history of this province that with prudent management there can be set up for generation after generation of Albertans a fund that can work for the benefit. But whenever we are spending money like this in billion dollar amounts without any respect for a budget process, we are doing those generations that are to come in the future a disservice.

We can say that times have changed from April to August, from August to November. We didn't know what the price of the natural resources were going to be. We had no idea. We lowballed it, and now look at it. But the reality is that we have a very, very good idea, Madam Speaker.

We can talk about energy tax refunds. We can talk about electricity auctions. We can talk about education property tax reductions, business tax reductions. We can talk about information system enhancements, risk assessments. But we need a budget process that Albertans can have confidence in. They cannot have confidence in this system. We need to look well into the future, not just past the next election. We need to think of a future where conventional crude oil reserves are dropping and dropping and dropping. We need to look into the future when through the western sedimentary basin, the Peace River Arch, the Alliance Pipeline will be connected up to the Territories. It will be moving gas from the Territories to Chicago, bypassing Alberta.

In five years I would like all hon. members from across the way to explain to me where our natural gas royalties will be. Where will they be in 10 years? What sources of revenue are they planning on using? Will the petrochemical industry continue to expand? I certainly hope it will, but I'm not convinced that is possible with the current policies that have been adopted by this government.

We have to think of the core programs, and whenever we think of the core programs of this government, Madam Speaker, we think of health care of course, we think of education . . .

AN HON. MEMBER: Infrastructure.

MR. MacDONALD: Well, I just don't know about Infrastructure, because what I can see at Infrastructure, Madam Speaker, is sugar-daddy politics: we're going to pay this, we're going to build this, we're going to do that, but we're only going to do it while there's talk of an election. How much money will the Department of Infrastructure have in two years? I don't know, and I have to question that.

We need in this province, if the electorate is to have confidence in their government, sound budgeting practices. Whenever we repeatedly come back for more money and more money, that is not sound budgeting.

I'm very disappointed that I cannot continue this evening, Madam Speaker, but with that, I shall take my seat. Thank you.

THE ACTING SPEAKER: The hon. Member for St. Albert.

MRS. O'NEILL: Thank you very much, Madam Speaker. We're speaking tonight to the Appropriation (Supplementary Supply) Act, 2000 (No. 2), Bill 28 as we are referring to it on the Order Paper. It speaks to the expenditures that have been allocated by the Treasurer and the various departments in response to those areas that have been identified by our constituents, by the people of Alberta, and by the organizations that we trust to care for the delivery of many of the programs in this province, be they education as in Learning or in the Health and Wellness department or Children's Services or certainly the Community Development portfolio as well, to say nothing of the infrastructure needs.

It is commonly understood, of course, that the business plans of this government deal with the base budgeting, and those are well planned. They are mindful of the needs that are current and growing in the province in the respective departments. However, there are some projects that do require funding of the nature of supplementary allocation of funding. Some of those are pilot project funding, pilot projects that are deemed necessary for us to assess whether they're going to be properly delivering some outcomes that can be sustained and that are fine or whether they need to be redirected and reformatting.

11:40

We also are certainly mindful of the targeted funding expenditures that we identify over the course of certain years, in particular this year, that are targeted to address a certain need obviously at a certain time, and that's what this requisition is speaking to. We do have the onetime expenditures that certainly compose most of these supplementary estimates. There is nothing wrong, and it's not a dirty word to speak of onetime expenditures. They are ones that are responsive to what we have had identified by our communities.

I'm going to use in particular some examples from the supplementary budget program. I'll speak specifically to the Community Development department. We all know that our libraries are well used. The use of them is in high demand. It certainly is in my

community. So the supplementary budget or requisition as identified here for the Department of Community Development speaks specifically to the Northern Lights regional library system at Elk Point, to the expense of \$775,000, looking at how it will be best allocated.

I'd also like to identify, of course, that we're looking to and we have begun as a government funding Alberta centennial legacy projects. These are projects that I think are befitting projects, befitting sites if you will, and endeavours that our respective and smaller communities will benefit from greatly in recognition of the fact that in the year 2005 we are ramping up to celebrate our centennial.

I want to mention, too, that there is acknowledgment in this supplementary budget of some of the workers in Health and Wellness, particularly in the area of providing services for persons with developmental disabilities or in the delivery of children's services to individuals and individual programs. There is an allocation, of course, for an increase in pay for those who are in the service of these respective clients.

So to say that our government works without a plan is, of course, something I believe the critics have to keep repeating to themselves because they want to believe it, not because it's a fact. There is a great deal of planning put into our budgeting, whether it be in the long-term planning of business plans or, as we are asking for in this particular bill, whether it be in response to what we know are needs within the community, what have been identified, what have been assessed as valid, and what we see as a government as a response because we have the revenues available to us prudently now.

THE ACTING SPEAKER: I hesitate to interrupt the hon. Member for St. Albert, but in accordance with Standing Order 61(3) the chair is required to put the question to the House on the appropriation bill.

[Motion carried; Bill 28 read a second time]

[At 11:46 p.m. the Assembly adjourned to Wednesday at 1:30 p.m.]

