

Legislative Assembly of Alberta

Title: **Tuesday, April 24, 2001**

1:30 p.m.

Date: 01/04/24

[The Speaker in the chair]

head: **Prayers**

THE SPEAKER: Good afternoon.

Let us pray. O Lord, grant us a daily awareness of the precious gift of life which You have given us. As Members of this Legislative Assembly we dedicate our lives anew to the service of our province and our country. Amen.

Please be seated.

head: **Presenting Petitions**

DR. TAFT: Mr. Speaker, I'd like to present a petition signed by dozens of Edmontonians from every constituency in the city urging the government "to ensure that Mr. Stockwell Day is made personally liable for any funds required to settle his defamation" suit.

head: **Reading and Receiving Petitions**

THE SPEAKER: Hon. Member for Edmonton-Gold Bar, do you have one?

MR. MacDONALD: Thank you, Mr. Speaker. I request that the petition I presented yesterday to this House regarding Stockwell Day's defamation litigation now be read and received.

Thank you.

THE CLERK:

We, the undersigned residents of Alberta, petition the Legislative Assembly to urge the Government of Alberta to ensure that Mr. Stockwell Day is made personally liable for any funds required to settle his defamation litigation and that no public funds are used for this purpose.

THE SPEAKER: The hon. Member for Edmonton-Centre.

MS BLAKEMAN: Thank you, Mr. Speaker. I, too, would ask that the petition I presented yesterday regarding Stockwell Day's defamation litigation be now read and received.

Thank you.

THE CLERK:

We, the undersigned residents of Alberta, petition the Legislative Assembly to urge the Government of Alberta to ensure that Mr. Stockwell Day is made personally liable for any funds required to settle his defamation litigation and that no public funds are used for this purpose.

head: **Notices of Motions**

THE SPEAKER: The Deputy Government House Leader.

MR. ZWOZDESKY: Thank you, Mr. Speaker, pursuant to Standing Order 34(2)(a) I'm giving notice that tomorrow, Wednesday, April 25, I will be moving that written questions as well as motions for returns appearing on that day's Order Paper do stand and retain their places.

THE SPEAKER: The Government House Leader.

MR. HANCOCK: Thank you, Mr. Speaker. Today I'm giving oral notice of motion.

Be it resolved that when the Assembly adjourns to recess the current sitting of the First Session of the 25th Legislature, it shall stand adjourned until a time and date as determined by the Speaker after consultation with the Lieutenant Governor in Council.

Be it further resolved that when the Assembly adjourns to recess the fall sitting of the First Session of the 25th Legislature, it shall stand adjourned until a time and date as determined by the Speaker after consultation with the Lieutenant Governor in Council.

head: **Introduction of Bills**

THE SPEAKER: The hon. Member for Calgary-West.

Bill 203

Residential Care Housing Committee Act

MS KRYCZKA: Thank you, Mr. Speaker. I request leave to introduce a bill being the Residential Care Housing Committee Act.

Bill 203 will ensure the protection of vulnerable and adult Albertans living in residential care homes.

[Motion carried; Bill 203 read a first time]

head: **Tabling Returns and Reports**

THE SPEAKER: The hon. Deputy Government House Leader.

MR. ZWOZDESKY: Thank you, Mr. Speaker, I'd like to table with the Assembly today five copies of the 1999-2000 annual report as prepared by the Alberta provincial board that is responsible for persons with developmental disabilities, or PDD as we so frequently refer to it.

Thank you.

THE SPEAKER: The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Speaker. I'd like to table today five copies of a letter from the Opposition House Leader pursuant to the House leaders' agreement wherein she designates Health and Wellness for Wednesday evening, May 2; Learning for Thursday afternoon, May 3; human resources for Wednesday evening, May 9; Children's Services for Thursday afternoon, May 10; and Seniors for Thursday afternoon, May 17, as the designated departments for supply consideration on those days.

THE SPEAKER: The hon. Member for Edmonton-Strathcona.

DR. PANNU: Thank you, Mr. Speaker. I rise to table five copies of an article from the *Globe and Mail* dated April 24. This article is by Sinclair Stevens, the minister of regional industrial expansion in the Mulroney government. This article is titled A Police State in the Making, with the disturbing conclusion that "the police action in Quebec City, under orders from our government, was a provocation itself – an assault on all our freedoms."

Thank you, Mr. Speaker.

THE SPEAKER: The hon. Member for Edmonton-Centre.

MS BLAKEMAN: Thank you, Mr. Speaker. I have two tablings today. The first is a letter from the Alberta Craft Council giving a number of statistics underlining the funding deficit that the organizations in Alberta are under regarding funding from the Alberta Foundation for the Arts, a very well-written letter.

The second tabling is from a constituent, Mr. Bill Daly, who is striving to provide some alternatives for seniors regarding taxes, and he has done up a graph.

Thank you.

THE SPEAKER: The hon. Member for Edmonton-Ellerslie.

MS CARLSON: Thank you, Mr. Speaker. I rise today to table five copies of 152 letters received from people across Canada and the United States who want the provincial government to protect the Castle-Crown wilderness area in southwestern Alberta from industrial activity and motorized recreation.

I would also like to table a copy of a letter written by Nancy MacBeth to the Castle-Crown Wilderness Coalition responding to their letter-writing campaign and supporting a review of all industrial and commercial development in Alberta special places.

head: **Introduction of Guests**

THE SPEAKER: The hon. Deputy Speaker.

MR. TANNAS: Thank you, Mr. Speaker. In this national Volunteer Week I'm pleased to introduce on your behalf, Mr. Speaker, special guests who are seated in your gallery this afternoon. As you know, within our Legislative Assembly ceremonial and security services and visitor services branch we have volunteers who assist with school groups, educational programs, train new recruits, and work special events. Our guests today are Jean Yates with nine years of service, Doreen O'Callaghan with seven years of service, and collectively with three years of service are Myrna Grimm, Rita Alfrey, and Jeanne Siu. I'd also like to mention two individuals who are unable to be here this afternoon: Clive Lomax with six years of service and Pat Foster with three years of service. I'd ask those that are in your gallery now to please rise and receive the traditional warm welcome of this Assembly.

MR. CENAIKO: Mr. Speaker, I would like to introduce to you and through you a fine constituent of Calgary-Buffalo and a friend of mine. Mr. Bob Lang is a respected consultant in the oil industry in Calgary and is also president of the Cliff Bungalow-Mission Community Association. I'd ask Bob to stand and the Assembly to provide a traditional warm welcome to Mr. Lang.

THE SPEAKER: The hon. Minister of Municipal Affairs.

MR. BOUTILIER: Thank you, Mr. Speaker. It's my pleasure to introduce today a very special lady who actually has traveled from Halifax, Nova Scotia, to be here today. She certainly calls Alberta her second home, but she's here to listen to the budget speech later on this afternoon by the Minister of Finance. She is an educator. She has a very active part in Alberta as well, but it also just so happens she's here to verify that I was elected to the Legislative Assembly of Alberta and tell my father. My sister is here today, and I'd like to introduce Debra, who is visiting from Nova Scotia, and to say: yes, Dad, I am in the Alberta Legislature.

THE SPEAKER: The hon. Minister of Economic Development.

MR. NORRIS: Thank you very much, Mr. Speaker. It is a delight for me to introduce a number of guests to you and through you to the House. The first guest I'd like to introduce is a wonderful constituent of mine. His name is Rabbi Ari Enkin. He is a spiritual leader to a congregation of over 500 people. He is a very active and

positive force in our constituency. He also happens to have a great sense of humour. I'd like him to stand in the gallery and be welcomed.

1:40

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

DR. MASSEY: Thank you, Mr. Speaker. It's my pleasure to introduce to you and through you to members of the Assembly 56 students from Meyonohk elementary school in Edmonton-Mill Woods. They are accompanied by their teachers Mrs. Pei and Mrs. Rother and parent helpers Mrs. Hynes, Ms Schenk, and Mrs. McGregor. They are in the public gallery, and with your permission I would ask them to rise and receive the traditional welcome of the Assembly.

MR. NORRIS: With apologies, Mr. Speaker, I have two more. Not many, just two more. I'll be brief.

I would like to introduce to you and through you two guests of mine who are seated in the members' gallery. They are constituents of mine, Victor Horseman and Paulette Neigel. Both are labour market program directors for the Oteenow human resources aid and training society. They are involved with aboriginal urban labour market employment services. Would they please rise and be recognized.

Finally, Mr. Speaker, with all due respect to my hon. colleague from Wainwright, it's an absolute delight to recognize two gentlemen who just slinked in, my brothers Tony and Mike, who are a fine economic driving force in the Wainwright area. I'd like them to stand up and please be recognized today.

THE SPEAKER: The hon. Member for Edmonton-Strathcona.

DR. PANNU: Thank you, Mr. Speaker. I'm pleased to introduce to you and through you to all of my colleagues in the House two gentlemen who are seated in the public gallery observing today's proceedings of the Legislature. They are Mr. Kenneth Heathfield, now retired, former publisher, and Mr. Alex McEachern, a former Member of the Legislative Assembly of Alberta and now a much-valued resource person volunteer to our caucus. When Mr. McEachern is not spending time assisting our caucus, he is busy attempting to best Mr. Heathfield on the tennis courts. I would ask both of them to rise and receive the warm welcome of the Assembly.

THE SPEAKER: The hon. Member for Edmonton-Glengarry.

MR. BONNER: Thank you very much, Mr. Speaker. It gives me a great deal of pleasure today to introduce to you and through you to all Members of the Legislative Assembly Mr. Robert Fisher. Mr. Fisher is a former constituent of Edmonton-Glengarry and has advocated on behalf of many Albertans in regards to social issues. He is seated in the public gallery, and with your permission I would ask that he now rise and receive the traditional warm welcome of the House.

Thank you.

THE SPEAKER: The hon. Minister of Health and Wellness.

MR. MAR: Thank you, Mr. Speaker. It is a pleasure for me to rise before this Assembly and recognize Dr. Lou Francescutti, director of the Alberta Centre for Injury Control and Research. Dr. Francescutti and his organization play a vital role in injury prevention and awareness in the province of Alberta. Over 1,300 Albertans die each

year from injuries, and 360,000 visit emergency rooms to have their injuries treated. In an effort to combat these statistics, the Centre for Injury Control and Research has launched a provincewide advertising and promotional video to raise awareness of injury in Alberta, which we are pleased to be supporting by funding this important initiative through our regional health authorities. I would ask Dr. Francescutti to please rise and receive the warm welcome of this Assembly.

head: **Oral Question Period**

THE SPEAKER: First Official Opposition main question. The hon. Member for Edmonton-Mill Woods.

Child and Family Services Authorities

DR. MASSEY: Thank you, Mr. Speaker. The Sakaw-Askiy child and family services authority March newsletter indicates that that authority is in a deficit position and will have to institute cost containment strategies. For a government to run billion dollar surpluses while authorities serving children are forced into deficits is an appalling state of affairs. My questions are to the Premier. With the government in a billion dollar surplus position, why are children's authorities forced to curtail services to children and families in this province?

MR. KLEIN: Well, first of all, Mr. Speaker, I thought our surplus position was better than a billion, but we'll see later this afternoon.

Relative to the specifics of the question, Mr. Speaker, I'll have the hon. minister respond.

THE SPEAKER: The hon. minister.

MS EVANS: Thank you, Mr. Speaker. The child and family services authorities are not allowed to run deficits. Simply put, when we come to the year-end, where some have shortages and others may have surpluses, according to the funding allocation the children's authority co-chairs and CEOs sit and determine with ministry staff how reallocations can be made. We make every effort to ensure that the best interest of the child is maintained.

Over these past two years we have found a significant increase in the number of handicapped children's services that are delivered throughout the province. We are working very hard to make sure that that funding allocation for each authority recognizes both the demographic as well as the very specific needs of every child. Mr. Speaker, in doing so, we're also working with a number of partners in the community, the Ministry of Learning, the people that are at the field level who are working in schools and with school boards, and with municipal councils through family and community support services.

Mr. Speaker, this is still relatively a new ministry, with local authorities doing their very best to make the allocations and develop the interauthority protocols that recognize not only what the children's and communities' needs are but how we can best serve those communities.

THE SPEAKER: The hon. member.

DR. MASSEY: Thank you, Mr. Speaker. To the same minister: how many children and families needing help will be rejected when cost cutting is a major criterion for workers?

MS EVANS: Well, Mr. Speaker, there are no children that are rejected. There are no children that are given a no services ap-

proach. We are not cutting anybody to the extent that there cannot be services delivered for children. We're trying to get a cost-effective administrative structure in place in all the authorities. We're working with the agencies that have been assigned delivery of service. The answer is: no child will lose. We will have to make reallocations. We are doing that, and we have added significant additional funds since the formation of this ministry. I'll be pleased to discuss that more fully after the budget is tabled later today.

THE SPEAKER: The hon. member.

DR. MASSEY: Thank you, Mr. Speaker. The minister might want to read the newsletter.

How is the department's responsibility to children served when limiting the number of children and families served and cutting services to clients become the goal?

MS EVANS: Well, Mr. Speaker, I want to draw to the attention of this House something that I find a bit of a dichotomy but very interesting. When I was first elected in 1997, there were 42,000 children born in Alberta, and at that time there were considerably less children that were part of the child welfare system. There were probably somewhere between 8,000 and 11,000 given certain months. Today with 36,000 plus but not 37,000 born last year, we have over 13,000 children as part of the child welfare caseload.

As such, we've added staff. We've improved conditions and workload standards. We've added considerable support at the community level, where they need it. We are meeting our challenges. We are not reducing. In fact, if anything, with the growth of handicapped children's services we are identifying and assessing the needs of those children, putting them in touch with the agencies as needed.

Mr. Speaker, although from time to time a newsletter may stress some of the things that are not working as well as they might, provincially we are doing better than ever to look after our children in need.

THE SPEAKER: Second Official Opposition main question. The hon. Member for Edmonton-Gold Bar.

Child Care Workers

MR. MacDONALD: Thank you, Mr. Speaker. My first question this afternoon is to the Minister of Children's Services. Will the minister confirm, please, that she has recently received on her desk an important KPMG report, prepared by Mr. Jordan Cleland, a former executive assistant to the current Minister of Learning, which finds among other things that day care workers in Alberta are the lowest paid in Canada?

1:50

MS EVANS: Well, Mr. Speaker, you know, from time to time information comes out in a fashion that does not serve anybody as well as it might. Simply put, what we have been attempting to do is find out just what the state of the art is in terms of the dollars that are paid and the issues that are created in communities with climbing enrollments in day cares and issues that are created where there are higher costs, such as in Calgary and in Fort McMurray.

Mr. Speaker, much of what is used as the baseline data is from a You Bet I Care study in 1998, that cited that our child care workers were among the lowest paid, but it also failed to note that although we have a 44 percent turnover rate, there was a 40 percent vacancy rate in the day cares in Alberta. Simply put, some of the day cares were not operating in an economic fashion.

Many of the day care providers tell me that training programs are important for beyond level 1, which we do mandatory training for, to training programs for level 2 and level 3, that if in fact we are going to look at some of the solutions which are being brought forward in co-operation with the child care network and day care providers, we cannot simply look at one circumstance to aid and approve the conditions for children in day cares.

Mr. Speaker, beyond that, one of the things that I suggested when we were discussing this with the group is that if we are going move in terms of any type of additional return to the day care provider, we have to be sure that it would be targeted in such a way as to achieve the results that we want for children and to provide for strong workers and strongly trained staff.

MR. MacDONALD: Will the minister, again, table the Cleland report for the benefit of the entire Assembly? Thank you.

MS EVANS: Mr. Speaker, this is interesting, because I have day care workers on that committee that do not believe that the time is right to table that until such time . . . [interjection] Excuse me.

That report is not yet finished. That report has not yet been viewed by some of the day care providers themselves. That report has not been viewed by my colleagues. That report is still in draft form, and although I personally wanted to see whether we could release it, they cautioned me that to do that would not be wise until they were absolutely confident that it should be released. In due course that report will be released.

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

MR. MacDONALD: Thank you, Mr. Speaker. Again to the minister. Given that all hon. members of this Assembly since 1995 have received a 13 percent pay increase, does the minister agree that child care workers in this province deserve a compensation increase now?

Thank you.

MS EVANS: Well, Mr. Speaker, let's talk about the child care workers. They are workers that are employed by employers that are businesspeople that run their own establishments. They are private agencies. This government is not in the position of supplementing private businesses. We are in the position of trying and doing our best to improve the lot for children and high-risk children that are in day care, but that does not preclude us looking at other options rather than looking at supplementing salaries of day care workers.

THE SPEAKER: The third Official Opposition main question. The hon. Member for Edmonton-Riverview.

Postsecondary Student Housing Costs

DR. TAFT: Mr. Speaker, many of my constituents are students living at the University of Alberta, and they are concerned about reports that they may be facing a 15 percent increase in student housing costs. This is of course in addition to increases in tuition costs. My question is to the Minister of Energy. Will the minister confirm that student rents at the U of A residences are going up to cover the increased costs of electricity, even though the government has issued utility rebates to the U of A students' housing services?

MR. SMITH: Mr. Speaker, I can neither confirm nor deny the member's detailed question, but I'm more than willing to accept a letter or piece of correspondence from him asking any questions that he may have with respect to anything that would be appropriate to the Ministry of Energy.

DR. TAFT: Mr. Speaker, my first supplemental is to the Minister of Learning. In principle is he in favour of low-cost housing for university students?

THE SPEAKER: Hold it. The question period is the time for the seeking of information with respect to government policy, not for the seeking of opinion.

Hon. member, please proceed with your third.

DR. TAFT: Okay. Will the minister take steps or is he planning to take steps to ensure that university student housing costs do not rise faster than inflation?

DR. OBERG: Thank you very much, Mr. Speaker. The university housing costs are something that are run on a cost recovery basis. As the costs go up for the particular student housing, the university assesses the costs and builds the fees in accordingly.

In response to the first question with regards to the energy, there are energy rebates that have been made available to the universities. There are continuing energy rebates for the universities. The universities have more than the ability to utilize them for their own buildings as well as student housing buildings. How they pass that saving on to their students is up to the autonomous board of governors of the University of Alberta.

MR. SMITH: I did want to add to the Minister of Learning's comment about how the students as individuals will also be receiving the second installment of the \$300 energy rebate cheque.

THE SPEAKER: The hon. leader of the third party.

Coal-fired Power Production

DR. PANNU: Thank you, Mr. Speaker. The throne speech under debate in this House states that the government will try to get a handle on electricity prices by streamlining the approval process for new generation projects. The government's deregulation scheme first brought Albertans skyrocketing prices. Now it may lead to more strip mining and more air pollution. In recent months three new coal-fired generating plants have been proposed for the Wabamun, Genesee, and Brooks areas. My first question is to the Minister of Environment. Can the minister please explain what parts of the approval process will be eliminated in this mad rush to bring new coal-fired generating plants onstream? Is it the requirement for full public hearings, or is it the requirement to conduct a comprehensive environmental impact assessment?

DR. TAYLOR: Thank you. I'd like to assure the member and all Albertans, Mr. Speaker, that no part – no part – of the process will be eliminated.

THE SPEAKER: The hon. member.

DR. PANNU: Thank you, Mr. Speaker. Will the minister assure Albertans in clear language that any new coal-fired electricity generating plants will undergo a full review, including public hearings with funding for affected intervenors, and a comprehensive environmental impact assessment and that no parts of the approval process will be short-circuited?

DR. TAYLOR: Certainly, Mr. Speaker, I can assure the member and all Albertans that the process will be fully public, with opportunities for public input either in written form or at public meetings.

THE SPEAKER: The hon. member.

DR. PANNU: Thank you, Mr. Speaker. My last question is to the Premier. Will the Premier make a commitment that a joint federal/provincial panel will be asked to review and hold public hearings on the proposed coal-fired generating plants given their impact on transboundary air sheds and interprovincial waterways?

MR. KLEIN: No, I can't give that commitment because I don't know whether there will be appropriate rationale for the federal government to become involved in this particular process, Mr. Speaker. If the federal department of energy sees fit to become involved for some reason or other, I'm sure that they will notify our officials, and appropriate steps will be taken to make sure that their involvement is recognized.

THE SPEAKER: The hon. Member for Redwater, followed by the hon. Member for Edmonton-Centre.

Pasture Insurance Program

MR. BRODA: Thank you, Mr. Speaker. Last year the drought situation in various parts of the province created difficulties for many Alberta producers. In the past livestock producers were able to use pasture insurance programs as a risk management tool, but last year that program was no longer available. Earlier this year the Alberta Association of Municipal Districts and Counties passed a resolution, presented by the county of Smoky Lake, calling for the reinstatement of the pasture insurance program. My question is to the Minister of Agriculture, Food and Rural Development. Can the minister tell us what is happening with pasture insurance and if this option will be available again?

2:00

MRS. McCLELLAN: Mr. Speaker, the hon. member is correct. We did have a pasture insurance program in place, and any rural members that were involved will remember clipping cages, placements of clipping cages, measuring, weighing of product. The program was complex. It was designed to respond to the needs, but the take-up from the producers was very small, I think probably because of the complexity, so it was decided to cancel the program.

However, because of the changes in our weather and our climate and particularly the drought that has occurred in the southeast part of the province, under the crop insurance review this issue was raised again, and there was a recommendation made that we implement at least a pilot to see if we could establish a pasture program that would be responsive to producers' needs. That has been established with selected risk areas in the southeastern part of the province. It will use the latest technology, GPS, or global positioning satellite, information. Through that pilot, Mr. Speaker, we hope that we can establish a provincewide program for the next year.

THE SPEAKER: The hon. member.

MR. BRODA: Thank you, Mr. Speaker. My first supplemental question, again to the Minister of Agriculture, Food and Rural Development: can the minister advise whether or not the producers in the constituency of Redwater and the Smoky Lake area will be able to participate in this pilot project?

MRS. McCLELLAN: Mr. Speaker, we have, as I indicated, established the pilot projects in some selected risk areas in the southeastern part of the province. One of the purposes of having those

projects in place is to determine the relationship between pasture yields and the pasture vegetation index generated by satellite imagery. Unfortunately, we do not have sufficient information for the majority of the province, including the Smoky Lake area. So for this year and for this pilot project it was not feasible to include that area.

MR. BRODA: Mr. Speaker, to the same minister: will the minister tell us the cost of running this pilot program and what the plans are for the future of pasture insurance?

MRS. McCLELLAN: Mr. Speaker, the provincial costs associated with this program or with this pilot are less than \$1.5 million. They include the costs of the satellite imagery data and the administration of it. As I indicated, if we're successful – and we're hopeful that we will be – we will be looking at implementing this program province-wide in 2002.

THE SPEAKER: The hon. Member for Edmonton-Centre, followed by the hon. Member for Olds-Didsbury-Three Hills.

Rossdale Power Plant Expansion

MS BLAKEMAN: Thank you. In Alberta's current state of electricity deregulation, Mr. Speaker, it seems that the Energy and Utilities Board has a strange role. It provides regulations for a deregulated industry. Residents of downtown Edmonton or any person interested in our river valley wonder what that means for them and their city as they try to work through the EUB to stop the expansion of EPCOR's power plant in Edmonton's river valley. My questions are to the Premier. While there are mechanisms such as the Environmental Protection and Enhancement Act, does the EUB have any real authority now to stop the power plant expansion in Rossdale?

MR. KLEIN: Interesting question. Do they have authority? Mr. Speaker, I'm not quite sure of the process relative to the adjudication of the environmental worthiness of this particular project, whether that project is before the Alberta Energy and Utilities Board or whether it's through the Natural Resources Conservation Board or whether it is a matter for a joint hearing by the two boards. Perhaps the Minister of Energy can shed some more light on this matter.

MR. SMITH: Mr. Speaker, the Department of Environment will have an important role in this, and maybe the Minister of Environment might like to comment on it. Specifically to the EUB, they would not have a specific regulatory application in the EPCOR plant.

MS BLAKEMAN: Again to the Premier. Well, since it's unclear what role the EUB has in this matter, who then should these Albertans be approaching if they want to oppose the expansion as responsible citizens?

MR. KLEIN: Mr. Speaker, there's a two-pronged question here. One certainly is a matter for adjudication by the Alberta Energy and Utilities Board, and that is the whole issue of electricity supply. The other issue, of course, is protection of the river valley and what steps are being contemplated to ameliorate the environmental impact. That would be a question for the Minister of Environment on the power side. On the supply side that would be a question for the Minister of Energy. So I'll ask these two ministers to respond.

DR. TAYLOR: Thank you, Mr. Premier, and thank you, Mr. Speaker. To the member. There is a fully open process that one has

to go through with these approvals and with these plants. It's a fully public process. It could either be an environmental review or an environmental impact assessment. If the public that she's referring to is somehow unhappy with the decisions out of that fully open process, fully public process, then they can appeal to the Environmental Appeal Board. That is a separate board, that is independent and receives appeals of this sort.

THE SPEAKER: The hon. member.

MS BLAKEMAN: Thank you. This last question is to the Minister of Community Development. Given that Rosedale is the site of the proclamation of Alberta's provincehood as well a key site for First Nations people and early settlers, what has the minister's department done to urge the abandonment of expansion of the plant?

THE SPEAKER: The hon. minister.

MR. ZWOZDESKY: Thank you. I'm very pleased to receive that question because it is a very important issue. I think the hon. member and her constituents would be happy to know that after we heard about the proposed expansion, we did require the EPCOR group to undertake two historical resource impact assessments. There have been some significant finds, as you're well aware, of an archaeological nature that go back centuries literally. There have also been some discussions with respect to the low-pressure plant building and which parts of it could and should receive historical designation. So we're reviewing that right now, in fact literally, in our department. One of the issues that we're also looking at is the response that we're expecting back from EPCOR and from the EUB in that regard.

THE SPEAKER: The hon. Member for Olds-Didsbury-Three Hills, followed by the hon. Member for Edmonton-Ellerslie.

Rural Electricity Costs

MR. MARZ: Thank you, Mr. Speaker. Albertans generally have been very appreciative of the energy rebates they've received so far to offset rising energy prices. However, there are still many small businesses using over 250,000 kilowatts of electricity, such as intensive farmers, greenhouses, and retail businesses, whose electricity costs are still double after receiving the rebate. These extra unexpected costs are threatening their economic future, and the expected market development of electricity has still not occurred in rural Alberta. My first question is to the Minister of Energy. What is the Minister of Energy planning to do to encourage competitive electricity market development in these areas of the province?

THE SPEAKER: The hon. minister.

MR. SMITH: Thank you, Mr. Speaker. In fact, if you look at the broad electricity market in Alberta since the introduction of the new competitive market model, we've seen a 48 percent drop in price off the market side. We have seen progress made in the market developing itself, and we've seen progress made in the 80 percent of the electricity that is bought and sold and used and contracted outside the Power Pool market.

There is absolutely a recognition that we have to do more on this particular aspect, this particular market segment, where we are moving to look at competitive issues inside this marketplace. We have as one device, Mr. Speaker, a retail issues subcommittee, formed in the Department of Energy, that will be addressing this

specific question. Members of that committee are consumers, such as the independent Senior Petroleum Producers Association of southern Alberta, the city of Calgary, and of course Jim Wachowich from the Consumers' Coalition of Alberta.

Mr. Speaker, we will identify barriers to a more active retail market in this part of the market. We will develop recommendations to encourage competition, and of course the key towards offering service and offering low-price power is more power.

2:10

THE SPEAKER: The hon. member.

MR. MARZ: Thank you, Mr. Speaker. Again to the same minister. Given that there's currently a maximum of only one market choice outside the default rate, which seems to be more of a monopoly than any market choice, when can rural Albertan businesses expect to have real market choices in electricity?

MR. SMITH: Well, Mr. Speaker, as I would expect from the Member for Olds-Didsbury-Three Hills, he went right to the heart of the issue and examined it critically. We do know that smaller businesses currently have limited market options and that retailers focused on larger firms in the initial months of deregulation. In fact, when I look at the market behaviour of the large retailers that did sell customers to other retailers, they did it at a time when they needed more market knowledge out there, and I think that they've got to pull up their socks and be more responsive to their customers. We want to put that forward not only here in the Legislature but outside in the marketplace. Those customers are the key to their prosperity, and they have to respond to them.

Mr. Speaker, I just now picked up 22 registered retailers that are available to sell power in the province to all users. We think that their attention will start to focus on the smaller businesses as this industry matures, and I would like to table this with the House.

From the consumer side, Mr. Speaker, small businesses also are good conservers. When a product becomes a commodity, two things happen: innovation and conservation. I'd like to compliment the businesses of Alberta who have taken their own hand in encouraging new conservation practices for power consumption.

THE SPEAKER: Hon. minister, it's good to table when one quotes from it, but there need to be the appropriate copies to meet the rules of the House.

The hon. member.

MR. MARZ: Thank you, Mr. Speaker. My last question, again to the same minister: what kind of support can small businesses in rural Alberta expect from this government until such time as real market development does occur?

THE SPEAKER: The hon. minister.

MR. SMITH: Thank you. It was the surprise of the question, Mr. Speaker, that prevented me from having the appropriate copies, and I do apologize.

Mr. Speaker, the rebates program as it's structured, of course, is the electricity auction rebate of 3.6 cents per kilowatt-hour that is funded from the proceeds of the power purchase arrangement through the auction. The rebate continues to the end of this calendar year. They will also have in default customers, those who do not have a retailer, the market transition credit. This market transition credit is not being used now because of the low price of power in the pool, at 10.5 cents, but can be worth up to 4 cents per kilowatt-hour.

This, again, will help facilitate action and will be reviewed prior to the end of June. Again, the impact of the rebates does help cushion higher electricity prices, and we're reviewing these prices as the market starts to unfold.

Of course, Mr. Speaker, it would be remiss of me not to mention that there are over 600 megawatts of new electricity generation expected to come on-line this year, as we have noticed with the announcement from TransCanada of 80 megawatts and last week, while we were on break, another 80 megawatts from PanCanadian Petroleum.

Youth Justice System

MS CARLSON: Mr. Speaker, I met recently with concerned members of my community who have a number of questions arising from recent incidents of violent crime. They have been told that only 18 to 20 percent of young offenders are responsible for over 80 percent of the youth crimes in our community, and they are concerned that repeat, serious, violent, and high-risk young offenders are being released back into the community without adequate supervision and support. My questions are to the Minister of Justice. Given that the administration of youth justice in this province is his responsibility, from the hiring of sufficient numbers of provincial Crown prosecutors and the decisions made by them to the sentencing guidelines for judges, would the minister please tell this House why his department supports a philosophy that just does not do enough to stop these young people from falling back into their destructive habits?

MR. HANCOCK: That was an incredibly long question, Mr. Speaker, but on a very important subject. The subject is how we ensure that our communities remain safe and how we provide appropriate sanctions and atonement for youth in our community who commit crimes, but more importantly how we deal with the underlying root causes of those crimes. It's important that we look at justice not as just a matter of police and the courts but as a matter of how community embraces the problem of crime in our community.

In New York, Mr. Speaker, Mayor Giuliani did a good job of cleaning up New York by dealing with what we call the fixing-broken-windows theory. That's a theory which suggests that it's not just a matter for the courts and for the police, although they are a very important part of that component, but it's a matter for the community itself to embrace the whole question of why youths join gangs, why they get involved in criminal activities. It's a question of ownership of the community. It's a question of making sure that there are appropriate recreational opportunities and leadership opportunities for our kids in our communities. It's a question of proper supervision by families in the community. In short, it's a matter of our whole community embracing the problem of youth and their proper place in our community and making sure that there's proper, positive, appropriate activity for those youths to be involved in. Of course the justice system through the courts and the police will play their appropriate part.

MS CARLSON: Mr. Speaker, since young offenders have a better chance than adult offenders to be rehabilitated and become law-abiding citizens, why aren't these young offenders receiving the necessary treatment and programs to change their behaviour and return safely and successfully to the community? This is a major concern and feedback this minister has received from the community.

THE SPEAKER: And I appreciate all of that. I just want to remind hon. members this is question period, not debate period.

MR. HANCOCK: And I won't debate that question, Mr. Speaker. It is important that we properly treat young offenders so that they can be returned to the community and the communities can be safe. It does absolutely no good, in my opinion, to keep people in jail for 48 days, which is the average length of stay in our provincial correctional institution, if we don't deal with the alcohol addiction, the drug addiction, and the mental health issues. That's precisely why this government has moved – in fact, in the last fiscal year \$10 million by way of supplementary estimates was put forward to co-operate with the Alberta Mental Health Board. A recent announcement that a new head for the program was coming in from Texas, a well-respected psychiatrist to deal with children's mental health issues, is one major step forward in that very issue of dealing with the root causes of youth crime and dealing with the problems behind youth crime, including one of the major ones, which are mental health problems, but also moving forward on the other areas of alcohol and drug addiction issues, which are also root causes in the area.

MS CARLSON: Mr. Speaker, what is the minister specifically doing to provide adequate supervision and support to ensure that these young offenders do not go back to their previous patterns of behaviour? We haven't had that information shared with us this afternoon.

THE SPEAKER: The hon. minister.

MR. HANCOCK: Well, thank you, Mr. Speaker. In my enthusiasm to answer the questions, I was remiss, of course, in not pointing out that it's actually the Solicitor General who's responsible for corrections and correction procedures in the province at this stage.

However, I would answer the question anyway and then invite the Solicitor General to add appropriate responses, because we're working very actively, as I indicated, in the treatment of mental health issues, in terms of the domestic violence project in Calgary, the court project in Calgary – it's now called HomeFront as of yesterday – and other issues which are at the root cause of why children get into trouble in the province. Again, I would suggest that on the crime prevention side, the community needs to reach out and embrace crime prevention programs, which include proper activities for children after school, proper ways for children to be involved in a meaningful way in their community so that they're not encouraged to join their other family, the gang.

THE SPEAKER: The hon. Member for Little Bow, followed by the hon. Member for Edmonton-Glengarry.

National Pollutant Release Inventory

MR. McFARLAND: Thank you, Mr. Speaker. A new web site has come on the scene which is causing a lot of canola producers some heartburn. This web site is called PollutionWatch, and it uses data from the federal government's national pollutant release inventory to compare pollution releases in their communities. My first question is to the Minister of Environment. How reliable is the data used from this national pollutant release inventory that is being used on this web site?

THE SPEAKER: Hon. minister, I'll invite you to respond if it is within the jurisdiction and the responsibility of Alberta's Minister of

Environment. If I understand the question, it had to do with a national web site.

2:20

DR. TAYLOR: Yes, and because it does apply to Alberta and Alberta is affected by the web site, I would reply, Mr. Speaker.

It is important to realize that the web site and the inventory provides that from a positive perspective, industry does account for and report on the pollutants they release. However, it does not recognize or attempt to measure the quality of the environment, Mr. Speaker. For instance, it does not demonstrate the effects of these releases on the environment. It does not demonstrate how these releases are handled. If I might use the example of asbestos: asbestos, when it's decommissioned, is put into very specific landfills that are very safety oriented, designed specifically for asbestos. Yet this web site includes those as industrial releases into the environment, when in fact the asbestos is not released into the environment. So in fact to be kind and charitable, it could be said that it's a bit misleading.

THE SPEAKER: The hon. member.

MR. McFARLAND: Thank you, Mr. Speaker. I do apologize for not being specific to Alberta in my first question.

The second question that I have is: bearing in mind the information that this inventory produces in relation to Canbra Foods in Lethbridge, processors of Alberta canola oil, does this information indicate that they are emitting more N-hexane into the atmosphere than any other company in Canada?

THE SPEAKER: The hon. minister.

DR. TAYLOR: Thank you. A very good question because it does affect canola producers, Mr. Speaker. This question in fact gives a clear indication how a simplified web site like this and a simplified inventory can oversimplify complex issues. What they don't tell us on the web site is that Canbra Foods errs on the side of caution. They have to provide an estimate of their emissions. Now, erring on the side of caution, they overestimate what they will emit. In fact, this year Canbra Foods will not probably come close to emitting what their estimates are. So that's one thing that doesn't show up on the web site.

The other thing is that in the worst case scenario, if they did release as much as they estimated, they would still be far under the most stringent releases for N-hexane in Canada.

THE SPEAKER: The hon. member.

MR. McFARLAND: Thank you. To the minister: what is your department going to do to ensure that Alberta's air and water continue to be protected from industries whose emissions are high or web sites whose information is inaccurate?

DR. TAYLOR: Well, Mr. Speaker, I want to assure the member and all Albertans, quite frankly, that our rigorous environmental approval and monitoring is one of the most rigid, not just in Canada but in North America. We have some of the most stringent requirements in North America. Not only do we have these requirements, but we monitor these requirements. So if somebody doesn't live up to the conditions of their environmental approval, they are monitored, and if they still do not live up to them, they will be fined. Last year there were almost a million dollars of fines placed on companies in

Alberta that did not live up to their environmental approvals, and we will continue to do that.

But it's not just a matter of fining, Mr. Speaker. We constantly work with companies to improve their environmental quality, to improve and help them improve their environmental emissions so that they do meet these stringent standards.

THE SPEAKER: The hon. Member for Edmonton-Glengarry, followed by the hon. Member for Edmonton-Highlands.

Assured Income for the Severely Handicapped

MR. BONNER: Thank you, Mr. Speaker. Earlier today I had the pleasure of introducing Mr. Robert Fisher to members of this Assembly. There are approximately 10,000 Albertans in the Edmonton region receiving AISH. Mr. Fisher brought it to my attention that people receiving Canada pension plan disability payments and AISH face claw-backs of their provincial benefits when the federal government increases its allowances for Albertans who are unable to work because of a disability. My questions today are to the minister of human resources. Why does this province have a dollar-for-dollar claw-back policy?

MR. DUNFORD: One of the responsibilities, I believe, that any elected official has in Alberta is to be both cognizant of the needs of the people within their community but also to be stewards of taxpayers' money. In that situation, then, we have a juxtaposition of a federal disability program and a program that we have called assured income for the severely handicapped. So the way in which we have traditionally dealt with this matter is that we want to see that people like Mr. Fisher are provided with income in order that they can try to get by, then, with their everyday needs. So there is a combination, then, based on what the level of Canada pension plan is, and of course we will then supplement that with AISH.

We're very proud in this province of our AISH program. I would remind all members and perhaps inform them for the first time that, as a matter of fact, the federal government and through the provincial ministries in their In Unison document, where they look at all of the programs across this country, has specifically indicated the benefits of the Alberta program and see it as leading this nation.

Speaker's Ruling Referring to Nonmembers

THE SPEAKER: Hon. members, before I recognize the hon. Member for Edmonton-Glengarry to go forward with his next question, I'd just provide a caution. The naming of names in this Assembly can lead to some interesting scenarios. It is not uncommon for the Speaker to receive correspondence and letters from individuals who are saying: "Well, a Member of the Legislative Assembly raised my name in this Assembly, and I did not give that person the right or the privilege to raise my name. I'm quite surprised my name was raised. What are you going to do about it?"

The chair has no mechanism of dealing with it other than to provide caution that one should deal with a great deal of caution in raising individual names in this Assembly, because those individuals are not in a position to provide any information to members of the Assembly or to correct anything if there's any misunderstanding with respect to the naming of their name, and in particular, for individuals dealing with private files under the laws in this Assembly, that this Assembly passed. I want you to be quite cautious when dealing with particular cases and examples.

The hon. member.

MR. BONNER: Thank you, Mr. Speaker, for those wise words. I can assure all members of the Assembly and yourself that Mr. Fisher and I did have conversations and that I did have permission to use his name here today.

Assured Income for the Severely Handicapped
(continued)

MR. BONNER: My second question is also to the minister of human resources. Given the minister's acknowledgment in this Assembly that living on \$855 per month would be difficult, when will the policy requiring a dollar-for-dollar claw-back be changed?

MR. DUNFORD: As far as our AISH program is concerned, those items that we consider to be exempt from deduction and those items that are partially exempt and then the ones that of course are fully deductible, as is being discussed here today, are under review on a periodic and timely basis. As a matter of fact, we will be announcing in a more formal way a discussion about programs and services for low-income Albertans, and certainly this would be one of the programs and one of the services that we'll be looking at. So I congratulate the member on his question and the timeliness of it.

THE SPEAKER: The hon. member.

MR. BONNER: Thank you, Mr. Speaker. To the same minister. Does the minister not see an inequality when MLAs in this Assembly receive a review of their salary annually but AISH recipients do not?

MR. DUNFORD: I simply want to point out to the hon. member that in October of 1999 we increased the AISH payment, if my math serves me correctly, by about 16 percent, but we certainly can check that.* The hon. member in the question, Mr. Speaker, is asking whether or not there will be an annual review of these payment levels. I'm going to leave that to the discussion that we'll be currently having as we review all of the programs and all of the services for low-income Albertans.

THE SPEAKER: The hon. Member for Edmonton-Highlands, followed by the hon. Member for Calgary-Lougheed.

2:30

Crown Prosecutors

MR. MASON: Thank you, Mr. Speaker. In the past few months 14 Crown prosecutors have left the Edmonton and Calgary offices, forcing prosecutors to shoulder an even higher workload than they are today. We all know the old adage of justice delayed is justice denied, and that is exactly what could be happening if the government doesn't take action. My question is to the Minister of Justice. Why has the government failed to complete a pilot project, that was part of a response to the all-party committee on justice, that would address court delays?

THE SPEAKER: The hon. Minister of Justice and Attorney General.

MR. HANCOCK: Thank you, Mr. Speaker. Actually this one is my department, so I'll be pleased to answer that. In fact, the question raised is an important one. First of all, we do have a situation happening where Crown prosecutors have left the service of the provincial government and the people of Alberta over the last six months in both Edmonton and Calgary, and we are dealing with that. It's my understanding that most if not all of those positions have been filled to date. But it does speak to a longer term issue that we have to deal with in terms of making sure that we keep people within

the employ of the department so that we build that experience that we need to deal with long-term manpower concerns when some of the senior Crowns begin to retire. So it's a very, very important issue for us.

Mr. Speaker, the hon. member refers to an all-party committee. I assume he means the subcommittee of MLAs to the justice summit. The justice summit was more than an all-party committee, of course. It was a consultation with a wide range of Albertans about their concerns about the justice system, which was set up and conducted by my predecessor, the hon. Jon Havelock, and a very successful consultation process, which we have turned into an ongoing process that formed the basis of the Justice business plan last year and will again this year.

We've taken the steering committee from that justice summit and asked them to continue on as the Justice advisory committee, and the members have done so. They provide an ongoing monitoring and ongoing report card with respect to the recommendations coming out of the justice summit and how we're proceeding in terms of making justice accessible to all Albertans.

Now, specifically with respect to the pilot project, I presume that he's referring to the pilot project that we had in Edmonton with respect to the new case screening unit. That pilot project has indeed been concluded, was concluded very, very successfully. It's now been expanded across the province. We've hired seven Crown prosecutors specifically for the new case screening unit, and it means that we are able to deal with those cases which should be dealt with early in the process quickly and appropriately, with appropriate recommendations being made to the court, which allows the time to trial to be shortened for the court cases that have to go trial.

THE SPEAKER: The hon. member.

MR. MASON: Thank you, Mr. Speaker. I'm referring to the all-party committee set up under Minister Havelock and chaired by the Member for Calgary-North Hill. I would like to know why the government did not address the issue of Crown prosecutors' pay or workload in its response to that committee?

MR. HANCOCK: Well, in fact, Mr. Speaker, the committee that he refers to is the subcommittee of the justice summit, and in fact we did address the questions that he referred to. They may not have been addressed directly with respect to a written response to the justice summit, but they were addressed by a review of prosecutors' salaries and in fact an increase of prosecutors' salaries. I might say that we do that on an annual basis now. We review salaries to make sure that prosecutors are appropriately paid in comparison to their compatriots across the country. We're doing a review of salaries now. We were last year in midrange with respect to prosecutors' salaries across the country. We have a bit of a concern about it now, because some of the provinces, particularly Ontario, have had recent raises, so we're going to have to deal with that issue in the short term.

With respect to the workload, we did have a problem in Alberta, Mr. Speaker, in terms of our case file load being one of the highest in the country. We responded to that by hiring 11 new prosecutors, as I said earlier, seven of them being dedicated to the early case screening process so that we can take those cases out of the system early that are appropriate to take out of the system, leaving those cases which need to go to court appropriate lead times and appropriate preparation times.

MR. MASON: Mr. Speaker, how can the minister give such a vague answer when our prosecutors earn anywhere between 58 and 72

*See page 118, left col., para. 7

percent of the income of Ontario Crown prosecutors? How does the minister plan to attract new graduates to the Crown prosecutors' office to replace those moving to other positions?

MR. HANCOCK: Well, Mr. Speaker, it is a valid concern in terms of how we attract and keep good Crown prosecutors. We're going to do that as we always have, by continuing to look at the workload requirements and the salaries, by making sure that working for the government of Alberta and for the people of Alberta in the Crown prosecutors' office is a profession and an occupation that people aspire to.

It will always be a bit of a training ground for those who want to get into private practice, and we'll have some turnover in that area, but there will always be people who consider being a Crown prosecutor to be an avocation and who want to do it. One of the things that I was proud to do shortly after being appointed Minister of Justice was to award a 20-year service award to one of my classmates in law school. We have Crown prosecutors who stay for a long period of time. We have good prosecutors.

I took the liberty of giving the answer that I did now because I answered this question previously in anticipation. We do monitor the salaries of Crown prosecutors. We understand that Ontario's salaries have gone up recently. We're going to have to look at adjusting salaries in this province. I'm not going to prejudge what that process is going to be, but we are committed to paying our Crown prosecutors fairly and to keeping good Crown prosecutors in place so that we can achieve the goal of Justice and the goal of this government, having safe communities.

THE CLERK: Members' Statements.

THE SPEAKER: Hon. members, before we move to that particular item, a bit of clarification just arising out of the question period. I'm going to recognize the hon. Minister of Human Resources and Employment for a correction of a number.

Assured Income for the Severely Handicapped (continued)

MR. DUNFORD: Yes. Thank you very much, Mr. Speaker. I said 16 percent. Upon sitting down and doing the math, it's 6 percent.*

THE SPEAKER: In 30 seconds from now, hon. members, I'll call upon the first of four hon. members to participate in Members' Statements. Prior to recognizing the first hon. member for Members' Statements, I'm going to call on the hon. Member for Vermilion-Lloydminster for an introduction.

head: Introduction of Guests (reversion)

MR. SNELGROVE: Thank you, Mr. Speaker. I would like to introduce to you and through you to the members of this Assembly a very patient group of 40 students from the Kitscoty elementary school. They're accompanied here today by their teachers, Mr. Kim Aitken and Mrs. Eleanor Parr, and teacher's aide, Mrs. Cindy McCormack. I would like them to rise and receive the warm traditional welcome of this House.

head: Members' Statements

THE SPEAKER: The hon. Member for Calgary-Fort.

Calgary-Fort Election Campaign Workers

MR. CAO: Thank you, Mr. Speaker. Our democratic election has taught me to be humble and to be ever alert to the fact that my constituents are my bosses. They sent me here to represent them. In us Albertans entrust the leadership and the work to improve their lives, and also they entrust the implementation of their aspirations and choices. I do not believe that they want us to impose our own views on them.

During the last election there were many people who participated directly and openly, but there were many more who provided assistance indirectly and behind the scenes. On our campaign team we had the participation of young children, seniors, our friends from all walks of life. The amazing part is that we all did it on a voluntary basis.

We had participation from whole families, such as the Tennenhouses, the Fergusons, the Campbells, the Argotas, the Poiriers, the Trangs, the Reimches, the Snashalls, the Has, just to name a few. We had participation from seniors, such as Ted Sawkins, Ken Calder, Bill Hopkins, Loc Dang, Chinh Vo, Derek Spooner, Don Smith, John MacDonald, Ron Lachica, John Brown, Gerry Bautista, Shirley Boyce, Chuck Libbey, and many more. We had participation from young children such as the Poirier brother and sister, Daniel and Cecilia, seven years of age; the Tennenhouse brother and sister, Aaron and Tracey; the Trang brother and sister, David and Julie; the Reimche brothers and sisters, Jonathan, David, Amanda, Bonnie, Tamazene; and young individuals like Uyen Nguyen, Shaun Unger, Candice Campbell, just to name a few.

Mr. Speaker, additionally I want to take this opportunity to recognize a number of individuals who spent their own effort and time in the democratic process. Eleanor Art, Kim Hoang, Sandy Wilson, Sandy Matthews, David Gaskin, John Brown, Vinh Nhan, Lorne Gogal, and so many more.

The outstanding leadership and the collective wisdom of our government caucus will help Alberta to move strongly into an even brighter future. Yes, it is the truth of proven leadership for a positive future.

Thank you.

THE SPEAKER: Two-minute time limit. The hon. Member for Banff-Cochrane.

2:40

Bruno Engler

MRS. TARCHUK: Thank you, Mr. Speaker. It is with regret but with many fond personal memories that I stand today to remember a longtime Banff-Cochrane resident and local icon, the late Mr. Bruno Engler. I recently had the opportunity along with hundreds of family and friends to celebrate his life and his immeasurable contributions to this province.

Born in 1915, Bruno was a man of many qualities with a contagious capability of sharing his zest for life with the world. He was a respected filmmaker and photographer, an experienced mountain guide, an accomplished skier, a storyteller, and a genuine romantic, who touched the lives of many who lived in and visited the Canadian Rockies. In the 1940s he taught survival and mountain warfare with the Canadian army and in the 1950s was hired as a photographer for the province of Alberta. For over 40 years Bruno worked in Banff as a freelance cinematographer and film consultant on some of the most popular and famous films ever made and became well known to two generations of Hollywood stars.

He shared his passion for skiing and climbing with many, teaching them to love the mountains and enjoy them as he did. But his passion for the mountains was shared best through his ability to

*See page 117, left. col., para. 6

capture what he saw and felt through the eye of the lens. His images span more than half of the last century, depicting both the pristine beauty of our landscape as well as our history. Bruno's accomplishments will be more than remembered; they will be cherished. We will never forget his lively warmth and easy smile and his joie de vivre.

Bruno will be missed by his wife, Vera, his family, his many friends, and the mountains. He charmed everyone he met into believing that we should enjoy each and every day simply by leading through example.

Your life will be celebrated, Bruno. You have forever changed the lenses through which so many people see, and for that we thank you.

Please join me in remembering a great Albertan and a wonderful man, Mr. Bruno Engler.

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

National Day of Mourning

MR. MacDONALD: Thank you, Mr. Speaker. I would like to take this opportunity to mark the National Day of Mourning, which this year falls on Saturday, April 28. This is the official day observed every year to commemorate workers injured, killed, or disabled on the job or those who suffer from occupational illnesses.

I know that we all share a deep concern at the number of lives lost as a result of accidents in the workplace. Our heartfelt sympathy is with the families and friends of the victims, although no words can take away their sorrow.

We continue to strive for a safe and healthy workplace. According to the Department of Human Resources and Employment's most recent figures, in 1999 there were 35,000 workplace injuries and diseases serious enough to have workers miss at least one day of work. According to the WCB's own figures, every four minutes a worker is injured on an Alberta worksite, and 27 workers a day were injured in their first six months on the job.

I wish at this time to commend the current Minister of Human Resources and Employment for his recent efforts to help prevent workplace injuries and fatalities, from the hiring of six additional worksite inspectors in December to the establishment of a new call centre in January for information about safety standards, to report accidents, or to lodge complaints. I hope these efforts make a difference in the workplace statistics that have become far too common in this province.

I would also like to recognize the WCB's recent Heads Up safety awareness campaign directed at inexperienced workers and their employers. Unfortunately, young people are the most likely to be killed or injured on the job. We must continue to make our young people aware of occupational hazards and hazardous working conditions. We must inform them of their rights and encourage and teach them to work safely. Young people are the future of our society, and a healthy society needs healthy workers.

Thank you.

THE SPEAKER: The hon. Member for Wetaskiwin-Camrose.

Camrose Kodiaks

MR. JOHNSON: Thank you, Mr. Speaker. While the hockey focus at the provincial level centred on the outstanding Oiler/Dallas series, my constituency and Albertans following the Alberta Junior Hockey League are now focused on the Camrose Kodiaks. The Camrose Kodiaks junior hockey team recently defeated Drayton Valley in the Alberta Junior Hockey League playoffs to capture the Alberta championship. As Alberta's representatives they are presently

competing for the B.C./Alberta Doyle cup on their way, hopefully, to the Canadian championship in Flin Flon. Indeed, we are proud of the accomplishments of our Kodiaks. They are only in their fourth season in the league, and they are already number 1.

The Kodiaks are owned and operated by the Camrose Sport Development Society, a nonprofit community organization whose purpose it is to promote and develop a strong sports program in the community. The development of junior A hockey in Camrose is our first project. The Camrose Sport Development Society stresses the importance of combining a successful education with sport. This is no doubt paying off, as eight of this year's Kodiak players are receiving scholarships to various universities and colleges.

The Kodiaks are proud to be members of the Alberta Junior Hockey League, a league of 15 teams including Fort McMurray, Grande Prairie, Bonnyville, Lloydminster, Brooks, Crowsnest Pass, Canmore, Olds, Drayton Valley, St. Albert, Sherwood Park, Fort Saskatchewan, and two Calgary teams. The Alberta Junior Hockey League started in the 1960s with only five teams and now provides a high level of hockey for many Alberta players at a very high level of competition. The league itself encourages further education for all players. The AJHL should be commended for its work with players and for its success over the past 40 years. To president Kim Marsh and chairman of the board Bob Clark I say a heartfelt thanks.

Congratulations to the Camrose Kodiaks, head coach Garry Vanhereweghe, and general manager Boris Rybalka, the Alberta Junior Hockey League champions.

head: **Orders of the Day**

head: **Public Bills and Orders Other than
Government Bills and Orders
Second Reading**

Bill 202 Insurance Statutes (Gender Premium Equity) Amendment Act, 2001

[Adjourned debate April 11: Mr. Jacobs]

THE SPEAKER: The hon. Member for Cardston-Taber-Warner.

MR. JACOBS: Thank you, Mr. Speaker. I have no further comments. I've concluded my comments, so I would pass to the next member.

THE SPEAKER: The hon. Member for Calgary-Lougheed.

MS GRAHAM: Thank you, Mr. Speaker. I rise this afternoon to speak against Bill 202, the Insurance Statutes (Gender Premium Equity) Amendment Act, 2001, which is sponsored by my colleague the Member for St. Albert. Regrettably I cannot support this amending legislation for a number of reasons, which I will describe, and in doing so, I would urge all hon. members not to support this legislation. While it is well intended, I do believe that it will result in worsening the very situation that it is meant to cure.

This bill would amend the existing Insurance Act as well as the new Insurance Act, yet to be proclaimed, by adding a section which reads as follows: "No insurer shall provide automobile insurance with a premium, tariff, rate or condition of coverage that discriminates on the basis of gender."

Now in our insurance legislation there is no such prohibition, but the sponsor of this bill has proposed this legislation because, as I understand it, she wants to stop insurance companies from charging higher automobile insurance premiums to young males under the age of 25 than what young females under the age of 25 are charged. She

argues that it is both unfair and discriminatory to treat the two sexes under the age of 25 differently based on gender despite the very obvious evidence of a vast disparity in claims rates experience between males and females under 25 and the amount of the damage caused in these collisions. So in effect, Mr. Speaker, the sponsor of the legislation, by virtue of this legislation, wants us to tell insurance companies how to determine premium rates for auto insurance.

2:50

At first blush, Mr. Speaker, the proposed legislation by the hon. member, as it is described, eliminating discrimination does sound very persuasive. As we all want to attempt to eliminate discrimination wherever we see it, as I say, at first blush it seems very persuasive. However, the matter is more complicated in my respectful submission and, when taken to its eventual conclusion, will not achieve what the hon. member I know would like to have achieved.

I know the hon. member is a very fair-minded and well-meaning member. However, when one looks at the likely impact, it becomes evident, I believe, that Bill 202 will in fact cause premium inequities for all drivers and possibly will even result in young male drivers paying more, paying higher auto insurance premiums than they do now, which was the very so-called mischief that this legislation I know is intended to eliminate.

Furthermore, Mr. Speaker, when one analyzes the change which would be brought about by this legislation against the existing system of automobile insurance rating criteria, it is clear that the differentiation based on gender as it exists now for drivers under the age of 25 years is both reasonable and justified.

Just to pursue that concept at this point, there have been a number of court decisions, one from our own Court of Appeal in 1993, which have looked at the question of whether or not gender discrimination or gender differentiation is in fact discrimination and whether it is allowable in the calculation of auto insurance rates. In every case all of the final decisions have held that while it is discriminatory to do so, the discrimination is both reasonable and justified because of the claims experience relative to young male drivers under the age of 25. To do otherwise would discriminate and transfer the burden to young female drivers under 25, which is not justified based on the actuarial and evidentiary evidence. So we have in this country plenty of jurisprudence which would say that this type of so-called discrimination is justifiable.

I would suggest, Mr. Speaker, following along from that and which was part of the reasoning, that in all of these decisions it is a basic principle of the calculation of premiums for insurance of any sort. It is based on a measure of the risk, and that can include a lot of different variables depending on the type of insurance. But when it comes to auto insurance in this province, the way it is done right now is by way of the driving experience and the claims/conviction record of the individual. Both age and gender are used as criteria for drivers under the age of 25 years, that is for primary drivers. After age 25 or at the age of 25 and over the use of the vehicle becomes the prime rating criteria.

So that is our existing system, and our Canadian private insurers believe that groups of drivers with lower risk should pay less for car insurance, while those with higher claims should pay more. The evidence is pretty clear, Mr. Speaker.

I can quote from some statistics provided by the Insurance Bureau of Canada, which is the organization that operates in this province representing 85 percent of the insurance companies involved in the provision of property and casualty insurance. Their records indicate that when you compare the number of claims per 100 vehicles for males 16 to 20 years of age, it is more than three times higher than drivers over the age of 25 years. Young female drivers between the

ages of 16 and 20 are just over two times higher than drivers over the age of 25 years. So a substantial difference there. They also indicate that the amount of the collision claims are 20 percent lower for young females under the age of 20 than for young males. Similar statistics apply for individuals from age 21 to 24, although the figures are not quite as stark.

So that being the case, if this legislation were implemented and insurance companies were legislated and required to charge the same premium rates to all individuals, male and female, under the age of 25, the effect would be very serious, very negative for young female drivers. It is estimated that approximately 24,000 young male drivers in the province would enjoy a 27 percent decrease in their premium rates, but by the same token almost the same number of young female drivers, 25,000 to be exact, would suffer a 45 percent rate increase due to this change, and this is in the 16 to 20 age group.

This would just be the initial bump in premium rates that would be experienced by young females. In my submission what would then happen would be that there would be more young males on the road, because price is a determinant of the number of drivers on the road. If they can afford the insurance, they will be out there, so we will have more young male drivers out there. Based on their driving pattern, there will be more accidents and there will be more accident claims, and insurance companies, because this is the only way they can cover their costs, will have to increase the premiums. So over time not just young female drivers will experience increased rates, but each and every driver on our roadways and highways in Alberta will end up paying more. That is just the simple result, Mr. Speaker, of this legislation, which sounds like it will do a very good thing but in fact will have a negative consequence in the final analysis for all drivers in Alberta.

I've been advised that our insurance rates here in Alberta are amongst some of the lowest in Canada, that is auto insurance, but there is a lot of pressure for insurance companies to start increasing those premiums for all of us. So I don't think that we as a Legislature would want to give a reason for insurance companies to start raising premiums. I would submit that we certainly open the door to that very thing happening.

I think it's fair to say, Mr. Speaker, that there hasn't been a great deal of consultation in preparation or as background work for this amending legislation. There has been a six- or seven-year consultation under way on the rewrite of the Insurance Act. For the four years that I was involved in that, not once was this proposal brought forward, albeit this aspect was not the subject matter of that initial consultation, and there may well be a consultation in the future dealing with insurance contracts. Nevertheless, there hasn't been, as best as I can see, a thorough consultation. But we have been advised, all of the members in the Legislature, that the Insurance Bureau of Canada and its member companies – which, as I mentioned, are 85 percent of the property and casualty companies operating in the province – are very much opposed to this legislation, which would bring about a fundamental change in how insurance premium rates are calculated.

3:00

So having said that, Mr. Speaker, I would like to say that I believe we all share with the hon. member, the sponsor, the desire to see auto insurance premiums kept at a stable rate, kept low for the benefit of all of us. I would submit that that is where our energies need to be directed and that there perhaps are creative initiatives that the insurance industry together with legislators could devise which would help to make young drivers better drivers so they don't have accidents and so premiums can be kept down.

It is my information that a graduated licensing system has proven

to be effective in this regard in other jurisdictions, where collisions have been shown to be reduced overall by 30 percent after the implementation of graduated licensing. We here in Alberta are slated to see that come into effect in January of 2002.

So these sorts of things, Mr. Speaker, I believe are a better method, a better way to achieve what we all want to achieve, and that is better drivers, lower collision rates, and therefore lower claims and therefore lower premiums. This is not something that you can legislate into effect, because it just will not work.

For those reasons, Mr. Speaker, I would urge all members in the Legislature to defeat this bill. Thank you.

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

DR. MASSEY: Thank you, Mr. Speaker. I, too, would like to make a few comments about Bill 202, the Insurance Statutes (Gender Premium Equity) Amendment Act, 2001. I started off looking at the proposal, and my first inclination was to compare the proposal for the insurance industry to our health care system. I think it's accepted, then, in health care that everyone will pay the same premium, and it's done in order that those who have to access the system more frequently than others will not find themselves in a financial situation that is untenable.

[The Deputy Speaker in the chair]

But the more I thought about it, the more the differences between the two systems I think became clear. Health care is an essential service. It's something we have no control over. It's a combination of genes and health practices and a lot of other factors that go into the state of health that we enjoy. That is in sharp contrast to driving an automobile and, of course, what goes along with that, seeking insurance to cover that driving.

It may not seem so these days, Mr. Speaker, but driving an automobile really is a decision that we make and one that is not a necessity, particularly for most very young drivers. So it's optional; it's something we choose to do. I think the argument that can be made is that being that it's something we choose to do, then it's something that we should be responsible for ourselves.

There are a number of assumptions under the act as it is here, and of course the basic assumption is that there is an unfairness, an inequity in the rates that are charged and that that inequity is based on age and on gender. That's a powerful assumption, and it's usually enough to persuade members on this side of the House that something should be changed. However, there are some other assumptions that I think come into play.

There's the assumption that performance is unrelated to the kind of insurance premium you pay, that regardless of your behaviour on the road, that should have no impact on the rates that are levied for your insurance, and I think that's an assumption that many of us find difficult to accept. We spend a lot of public dollars trying to convince young people in driver training courses and in schools to be responsible for their actions and that there is a price to be paid for not being responsible, and in the case of young male drivers that seems to be the case.

The other assumption, of course, is that those rates that are charged the under-25 male drivers are discriminatory, that they shouldn't be charged, that it's not fair to levy that kind of a fee.

One other and I guess final assumption is that the accident rate of young males is irrelevant or should be irrelevant in terms of their insurance rates. That's a hard assumption to support when those drivers are responsible for two and a half to three times the number of accidents and deaths on the highways compared to older drivers.

They have a very high accident rate, and some of the investigations into their behaviour raise questions. It's not often the ability. They're young in their ability, but they're skillful drivers in many ways. It has more to do with the kind of age group they're in and the kind of ethos that pervades that group. There's a need to find attention in a group of peers in terms of being a risky driver. There's a feeling that they're invincible, that nothing can happen to them no matter how they drive, and that makes them, I think, a risk to themselves and to all of us that has to be recognized.

When you look at the proposed bill and ask yourself, you know, who gains and who loses, I think a number of other speakers have already indicated that males under 25 would obviously gain and I think would wholeheartedly applaud the bill. I'm sure we've all been aghast at the rates being paid by some drivers under 25, particularly those that have been in accidents, in more than one accident. Their rates really do skyrocket. So they would certainly gain under this, but more importantly – and I think it has been pointed out – safe drivers, people who do drive responsibly, particularly older drivers and young female drivers, would be the losers should this legislation pass and be instituted. They would pay more, and they would pay more not on the basis of their performance but on the basis of someone else's performance. There's an unfairness in that that I think can't be overlooked, Mr. Speaker.

3:10

When you look at the insurance industry, they've tried to address the problem. I think they've looked, as I understand it, at all of the aspects of driver-related risk and tried to come up with some measures of risk, and those measures aren't as simple as age and gender. I think they would be the first to admit that. The number of years that you've been licensed is related to the risk you are on the road. Certainly the age range you find yourself in is related to what kind of a risk you are. The kind of driver training you've had has an impact on how risky you are as a driver. The kind of vehicle that you use – there are some vehicles that are more prone to accidents than others – and the age of the vehicle and also what the vehicle is used for, if it's used for pleasure or if it's used for business, has some impact on the kind of risk you are on the highway.

They also indicate that another measurement of risk is the number of claims you've had in the last six years – I think many of us have experienced that with our own rates, having had an accident that broke an accident-free period to find our rates in the years subsequent are raised and reflect that accident – and of course the number of years of claim-free driving.

So there's an array of risk factors that the insurance industry has looked at, but they come back, I think, to the basic ones, and that's age and gender. The insurance industry here is not alone in that. I think, if my information is correct, that throughout most of the United States insurers are permitted to use age, gender, and marital status to determine the price of car insurance. There are some of those states that restrict the use of those categories by insurers, but for the most part all of the American states find themselves using age, gender, and marital status as a determinant of the insurance rates.

So to look at the bill itself, Mr. Speaker, I think as imperfect as using age, gender, and marital status is, that's really all we have at this point. I think the previous speaker remarked on the kinds of difficulties that this legislation could pose if it were to be passed and implemented and that, on balance, those difficulties outweigh the advantage that would be gained by passing this particular bill. I agree.

I think the mover of the bill is to be commended. I think it's consistent with that member's seeking of fairness and justice and I

think reflects the basic beliefs of the member that discrimination of any kind, no matter where you find it, should be eliminated. Unfortunately, I don't think I can support this bill. I think in this case, until there's a better identification of risk factors and until some other actions are taken, the use of age and gender is an appropriate practice and one that shouldn't be interfered with.

Thank you very much, Mr. Speaker.

THE DEPUTY SPEAKER: The hon. Member for Vermilion-Lloydminster.

MR. SNELGROVE: Thank you, Mr. Speaker. I rise today to support the concept of this bill, and I would ask, certainly, that the members move it to committee. There may be some parts of the bill that need working and that, but let's be sure to give it a chance.

I want to think back, Mr. Speaker, to when the Insurance Act was started. There is no question that the collection of the data to determine the rates and that was compiled much differently than it is today. Obviously the groups and that that were used to develop these rates had to be based on gender numbers and larger numbers and probably weren't as accurate as we could be now with on-the-spot Internet communication and records of your history.

Mr. Speaker, I'm saying: why would the insurance companies want to keep these rates like this? Not because there is a sinister plot out there to charge young males more, but because it's easy. They don't have to look into the driving records or the individual patterns of a young man or young woman when they can prorate them 200 or 300 percent without question. So it's an easy way out.

Things are changing. In the last 10 or 15 years the numbers of women entering the workforce and starting out on their own would probably bring these rates into order by themselves, but I'm not sure that we'd like to wait that long. And, Mr. Speaker, I would like to point out that just because I have four sons doesn't mean it's influencing my speech.

I really believe, Mr. Speaker, that an insurance premium you pay should be based on something that you have a direct bearing on. Simply being male or female does not make you a good or bad driver automatically. I think the focus from the insurance industry should be: what has this young person done? Have they had their learner's permit for the required time to learn to drive adequately?

My nieces are in the States. They're required to keep a learner's permit logbook that shows the driving time they've had, that guarantees they've spent time with an adult driver. They are not allowed to go beyond this point until they've filled in their logbook, much like a large trucker's logbook. I think that's a great idea, and it shows commitment to the learning process. Now, maybe that's not addressed in this bill, but it certainly will change the focus of what the insurance company looks at to set the rates. I think it's very important that all young people take the proper driving, defensive driving, and prove to the insurance companies that they can be good drivers.

Now, we very simply say here that we sentence all of the other good young men drivers to a 40 or 50 or 200 percent increase in insurance without question. Well, good young men drivers probably don't like that much either and where we're not willing to say all the people in that age can bear the brunt because of some bad male drivers, I don't think that's too fair either. I think bad drivers, male or female, should pay the premiums they have earned. I think good young male and female drivers should get a break, and until they've at least got a demerit or done something wrong, I think they should certainly get the benefit of the doubt.

Our hon. member has said that we're trying to make accidents and driving records irrelevant, and completely to the contrary, Mr.

Speaker, I think that makes it completely relevant. What you have done with your driving record is what should count. I would like to think that it's not gender that makes the insurance company want to have you or not have you as a customer; it's your driving record.

I don't want to take a lot more time on this, but I really think we have to look at this seriously, as seriously as we would look if it was an age discrimination or gender or any physical disability. It should be what you present on the road that costs you, Mr. Speaker, and not what figures from history have proven to be. I don't dispute the figures from the insurance industry. I agree. There are a tremendous number of irresponsible young male and female drivers, and I believe they should be targeted and they should pay. Generally I believe young people should all get a good, clean slate to start.

I think we should move this bill to committee, and I would really ask for your input and your support to do it.

Thank you, Mr. Speaker.

THE DEPUTY SPEAKER: The hon. Member for Edmonton-Glenarry.

MR. BONNER: Thank you very much, Mr. Speaker. It gives me a great deal of pleasure today to rise to speak to Bill 202, the Insurance Statutes (Gender Premium Equity) Amendment Act, 2001. I have always respected the work of the hon. Member for St. Albert, and I do want to make a few comments and observations about this bill. As I understand it, the main purpose of this bill is to restrict the use of gender as an automobile insurance rating criteria.

3:20

Now, then, Mr. Speaker, as a parent who has a son and two daughters, this certainly is an issue that we discuss around the kitchen table from time to time, and I can tell you that when my son's accident rate comes up in comparison to the sum of both daughters', the daughters do smile. I'm not trying to cause any family problems here, but I think that is the reality of this whole situation.

As well, we know that the insurance industry is based on risk. If I were to ask the hon. Member for St. Albert if she and her son went to apply for life insurance at this particular point, would they pay they same rate, of course we know that this is not true.

Now, we also heard a speaker a few minutes ago that referred to the collection of statistics. Certainly the insurance companies who represent some of the bigger companies in the world and some of the most established and long-lasting companies rely heavily on statistics, and they certainly rely on their ability to gather those and to make certain they're accurate. As well, when they are gathering statistics, they are looking at probability and measuring that probability as to an event occurring or not occurring, and those people who fall in the higher categories certainly do pay more. Those who fall in the lower risk categories are treated more favourably.

What they do when they gather these statistics is that they group the people. Age is one of the criteria they use. Others certainly are gender and marital status. Over time this has been challenged. It has been challenged in many of the courts here in Canada; the Supreme Court, for example, and provincial courts. What has happened is that in all cases this system, although it is not a perfect system, has been upheld by the courts when human rights have been looked at in this particular issue. Now, then, when we look at insuring people and we take two individuals, certainly we have to consider these statistics and these records in assessing their rates, and what the courts found was that it was quite all right for two different individuals to be charged differently when it comes to rating factors.

The insurance industry, Mr. Speaker, also is constantly looking at ways that it can restructure the way it does business. It wants to look at its classification system in a manner that will eliminate discrimination of any kind to any particular group. Now, then, when we look at what is happening in the insurance industry today, we certainly look at this from a winner and loser standpoint, and if you are the parent paying those rates or your child is paying those rates, you certainly at that point hope you have daughters, because they are much cheaper to insure.

What we have to also look at here is: what is the long-term effect on this? If we were to eliminate gender as one of the criteria in insurance rates, then premiums for young female drivers would increase approximately 45 percent, and premiums for young male drivers would decrease initially by about 27 percent. This information, Mr. Speaker, was supplied to me by Royal & SunAlliance insurance agents, and again this is information that to the best of my knowledge is correct. I can table copies of this if the Assembly would like.

Now, then, the males in this situation are being charged premiums which are as appropriate to their risk of collision as are young female drivers, and certainly the young males do get into more accidents, as statistics do point out. As well, the courts have acknowledged that due to this the present method of rating drivers is fair. In the interest of fairness and consumer pricing we find that insurance rates do provide a certain degree of fairness when we look at the three criteria of age, gender, and marital status. As well, we do take in other situations that the insurance companies look at, and certainly one is a driving record, but we can look at those things later as well.

I also notice that there are some provinces that do restrict the use of gender when we look at insuring young males and females. These, of course, are British Columbia, Saskatchewan, and Manitoba, which tend to charge less for young male drivers and charge more for young female drivers and older drivers. Now, then, I certainly don't think that anybody here or the mover of this particular bill is suggesting that Alberta get into the insurance business, but I cannot see independent, privately owned insurance businesses getting into this situation.

Now, as well, the industry recognizes that the higher accident frequency of younger drivers is due in part to their inexperience. Numerous studies have also demonstrated that because of their lifestyles and outlooks young drivers still represent a greater risk than older drivers with the same amount of driving experience. It is also well established, Mr. Speaker, that women drive less and under different conditions than men. Studies have shown, however, that female drivers represent a lesser risk than male drivers in similar situations.

So, Mr. Speaker, before I close, I think what the Member for St. Albert here definitely was attempting to get at was certainly a system that would be fairer to young male drivers, and it would eliminate a type of injustice that unfortunately does exist in the way we look at how rates are determined. What we would like to see certainly is a system where all inequalities in this business could be eliminated, but unfortunately I think the present system, although it certainly isn't what we all would desire, is the best system, and therefore I would have to say that at this particular point in time I could not support Bill 202.

Thank you.

THE DEPUTY SPEAKER: Hon. members, we have about one more minute to consider this item on this day. May we have unanimous consent to go to the next item of business?

[Unanimous consent granted]

head: **Motions Other than Government Motions**

Second Language Education

501. Mr. Johnson moved:

Be it resolved that the Legislative Assembly urge the government to make the learning of a second language a compulsory component of a high school diploma by the year 2006 and to increase the opportunities for Alberta students to participate in national and international student exchange programs with a second language component.

THE DEPUTY SPEAKER: The hon. Member for Wetaskiwin-Camrose.

MR. JOHNSON: Thank you, Mr. Speaker. It's a pleasure to move Motion 501. I find it fitting that the first motion brought forward in this Legislature's First Session is about educating our youth, is a motion about investing in the future of our children and the future of our province, but it is a motion whose focus goes beyond our provincial borders. It is a response to the realities of globalization and the importance of being prepared as Canadians and as individuals to better take advantage of opportunities in the marketplace of the 21st century.

There are essentially two complementing parts to Motion 501. First, it addresses the importance of being able to communicate effectively through use of a second language for our students. Secondly, in recognizing the value of national and international exchanges for the education of our students, the motion urges the government to increase opportunities, making it possible for more students to participate. Student exchanges can be particularly helpful in the learning of a second language, especially for our Alberta students who have limited opportunities to practise second language skills in day-to-day conversations.

3:30

Mr. Speaker, this motion is in support of Alberta Learning's business plan. Under goal 3, entitled Well Prepared Learners for Lifelong Learning, World of Work and Citizenship, Alberta Learning has included a strategy of creating learning opportunities to "help Albertans see their place in a global society." One specific project identified is to develop a marketing promotion plan in collaboration with partners to communicate the benefits of learning a second language. Further, under goal 3 Alberta Learning has developed a draft international education strategy of which the first goal is that Albertans will have opportunities to obtain second language skills to participate in international learning opportunities. Possible actions include promotion of second language learning and expansion of education exchange programs.

Unfortunately, today fewer and fewer of our Alberta students are graduating with a second language. Currently only 23.5 percent of Alberta grade 12 students complete a 30-level second language course, which reflects an overall decline of 9 percent between 1995 and 1999. In 1973, 75 percent of our high school students were enrolled in a second language.

Alberta Learning's second language project plan, entitled Enhancing Second Language Education in Alberta, puts forward several reasons for the declining enrolment. First of all, the noncore or optional status of second language courses makes them appear as not important. A second language was once required for an advanced senior matriculation diploma. Secondly, the dropping of a second language requirement for entrance to Alberta postsecondary institutions. Many faculties at various institutions previously required a second language. The third reason: students have competing interests and have more courses to choose from. For

example, compulsory career and technology studies and expanded science course offerings are consuming more of students' time. Whatever the reasons, we have seen an overall decline in second language learning in our schools, yet in these times of globalization it is increasingly important for our people to be conversant with those of other cultures and economies.

This trend and our handling of second languages is no doubt the reason for the Alberta Chambers of Commerce recommendations to the Alberta government in 1999. Among the recommendations are the following, and I quote: that the Alberta government establish a new language education policy for Alberta which will reflect the reality that the workforce and society of tomorrow will need to communicate effectively in more than one language; secondly, that the Alberta government create an environment in which alternative language education is perceived as valuable and desirable not just by students and schools, colleges and universities but by parents and the community in general; and finally the fourth recommendation is that the Alberta government develop a language education strategy based in part on linkages between alternate language instruction and changing trade and market opportunities.

Mr. Speaker, as Alberta companies increasingly seek out customers across the globe and international investors come to see Alberta as a wise place to do business, there will be a growing demand for people who can converse in a second language and who have visited foreign lands. There is ample evidence that knowledge of a second language and international travel and experience pays off in the world of business and employment. As we consider the increase in north/south hemisphere trade, this knowledge is certain to be of even more importance in the future, particularly as we consider more opportunities to learn the Spanish language in our schools.

In 2000, Mr. Speaker, 38 percent of Canada's gross domestic product was composed of exports to other countries. By comparison, only 12 percent of the United States' gross domestic product was composed of exports and a mere 9 percent for Japanese exports. Granted, many of these exports were going to the English-speaking United States, but the areas of growth where the greatest number of jobs will be in the future are no longer just in the United States. For Alberta between 1993 and 1998, while trade with the U.S. grew by a modest 52 percent, trade with our other partner in the North American free trade agreement, Mexico, mushroomed a whopping 256 percent. Meanwhile, trade in Asian nations like Japan, China, and Korea has held strong.

The point, Mr. Speaker, is that Canada and Alberta are unique in the degree of international interaction that composes our economies. With the signing of trade and investment deals with the Americas, Asia, and across the world, this interaction promises only to grow. The result will be more jobs that demand a familiarity with different cultures and second languages. Canadian businesspeople are aware of this point and have in fact advocated for increased second language and cultural familiarity. A 1997 report from the Conference Board of Canada entitled *Employability Skills Profile* cites amongst its most desired skills an employee who is able to, and I quote, understand and speak the language in which business is conducted and write effectively in the language in which business is conducted.

But beyond the world of economics and trade second language education in primary and secondary schools improves the overall quality of a student's education. Tests have shown that students who have taken a second language for a period of several years performed better on tests of both verbal and nonverbal reasoning. Through enhanced listening and memory skills that evolve from studying a second language, students are better able to perform tasks, from reading to language arts to mathematics. Simply, students of a

second language have an improved development of learning strategies and an increased ability to transfer skills to other areas.

In an ongoing study being conducted by the Edmonton public school board, the marks of students who participated in any of its six bilingual programs are being compared against students in the regular track by means of looking at standardized test scores. Thus far there has been a very distinct mark differential in favour of the bilingual program students. This even follows for students in special-needs programs. The more years students participate in the bilingual program, the more pronounced their superior performance has been on the standardized tests.

It is clear then, Mr. Speaker, that increased second language education and the promotion of cultural exchanges would also serve the very basic function of improving the learning process itself. Supporting this motion thus would be a demonstration of Alberta's continued leadership in providing better, more creative ways of providing education.

Beyond the very real benefits that interaction with international cultures and languages has in improving career potential and affecting overall education performance, a familiarity with different languages and places leads to a wider understanding of the world. It leads to a population of informed critical thinkers. It leads to an increased appreciation of different customs and ways of looking at the world.

I'm always amazed at how quickly young people of different cultures and languages learn from one another even though they may not always have a common language with which to communicate. Student exchanges provide wonderful opportunities to increase greater knowledge and understanding of one another and of our cultures and way of life. It improves us as citizens of our province and country, and it makes our world just a little bit better.

The National Commission on Excellence in Education, a government body that reviewed the status of education across the United States, concluded that second languages belonged with the other basic disciplines that schools should teach: mathematics, computer science, social studies, and natural sciences. The power of a second language is a universally recognized force.

3:40

Mr. Speaker, in the fall of 1999 language services and the curriculum standards branch undertook a study of 29 school jurisdictions from across Alberta to determine, among other things, factors affecting enrolment in the second language courses and their recommendations for improvement. Two conclusions relevant to Motion 501 are as follows. Number one, they conclude that the fact that second languages are not required for high school graduation or university entrance has greatly contributed to enrolment decreases. Students focus on core subjects to improve their marks, or they choose other options that are less demanding and less time consuming. Secondly, they conclude that student exchanges and tours and other efforts to make various cultures and languages visible to the school community helped to increase interest and consequent enrolment in second language programs. I conclude that the optional nature of a second language program is having a negative effect on second language participation and that exchange programs are having a positive effect.

The same study addresses second language mandatory programs, and I quote from their conclusions. It states: respondents highly recommended having a second language mandated by the province, the jurisdiction, or the school. The school boards' recommendation coming out of this particular study is as follows: to make second languages as a part of basic education for at least some part of the 12 years of schooling: in grades 4 through 12, grades 4 through 9,

grades 7 through 12, grades 10 through 12, or in at least one of the elementary grades.

The long-term strategy of Alberta Learning's project to enhance second language education in Alberta mentions the key elements, which include discussing university entrance requirements and reviewing the high school diploma requirement. Motion 501 will be timely input as Alberta Learning and all stakeholders review the role that a second language will have in our curriculum and what role it will have in our high school diploma.

Motion 501 is worded to provide for wide flexibility and application. A compulsory second language component could mean a course or courses such as a minimum 10-level course under the present one high school diploma plan, or it could mean the equivalent of a 10-level course taken in elementary, junior high, or high school. For example, B.C. has a grade 5 to 9 compulsory language component, and I would assume that that would be at least equivalent to a grade 10 course. It could mean a part of an international study high school course involving trade and culture in addition to language, or it could mean a 30-level course for a special type of high school diploma, such as a language-enhanced diploma that could be considered in the future. And there are other possibilities that Alberta Education and various stakeholders will no doubt be exploring.

The point is that until a second language is given compulsory status in some form, it will not be considered for the importance of time and effort that it surely warrants.

I'd like to add to this point, Mr. Speaker, that international exchange programs especially are strengthened by the involvement of government. Many countries are more receptive when exchange initiatives are taken in a co-ordinated manner. While the efforts of individual schools, districts, and businesses in the past have had some great successes, a strong and consistent provincewide campaign is crucial to maximizing the benefits of these initiatives.

Indeed, government involvement has been the keystone of some of the most successful programs set up to promote exchanges. Certainly the governments of Japan and New Zealand and Australia and several other jurisdictions have actively been involved in creating and co-ordinating exchanges. These are examples of some of the best programs. In a province of exceptionally high standards it only makes sense to consider some of these very successful international programs.

Mr. Speaker, I presented to the members today many good reasons why they should support this motion to make second languages a compulsory component of our education system and to increase the opportunities for Alberta students to participate in international exchanges. First, it makes economic sense. Alberta is becoming truly engaged in the global economy. Investing in second language programs and exchanges will pay off by assuring that Albertans have the skills needed to remain competitive players in the world economy. Secondly, second language education has been proven to improve the cognitive abilities of students, impacting their overall performance. Learning another language such as French, Spanish, German, Japanese, or Mandarin leads to accelerated intellectual achievement, and surely this is a worthy goal. Thirdly, languages and exchanges promote a higher level of cultural awareness. Students get to see what unites human beings across the world, a process that leads to increased global harmony and understanding.

For those who doubt that government involvement is needed to promote what are clearly positive objectives, they need only look at the levels of participation in second languages while they are voluntary. Not only do disturbingly few students take these courses, but attendance is declining. As well, passing Motion 501 will serve

to strengthen international and national exchange opportunities for our youth.

Mr. Speaker, I would hope it's now clear to all members of this Assembly that increased exposure of Alberta students to language and culture will be immensely beneficial to Alberta, and I urge them to vote in favour of this motion.

Thank you, Mr. Speaker.

THE DEPUTY SPEAKER: Before we call on the hon. Member for Edmonton-Mill Woods to join in the debate on Motion 501, may we have consent from the Assembly to briefly revert to Introduction of Guests.

[Unanimous consent granted]

head: **Introduction of Guests**

(reversion)

THE DEPUTY SPEAKER: The hon. Member for Wainwright.

MR. FISCHER: Thank you, Mr. Speaker. It's my pleasure to introduce a former member of this House, Shirley Cripps, who was the MLA for Drayton Valley, I believe it was. She was here before I got here in 1982. She served as associate minister of agriculture. I believe it was from 1982 to '86, or somewhere in that area. I would ask that Shirley rise and we give her the warm welcome of the House.

head: **Motions Other than Government Motions**

(continued)

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

DR. MASSEY: Thank you, Mr. Speaker. I'm pleased this afternoon to be able to speak to Motion 501, the second language requirement that's being put before us this afternoon, and to support that motion. I think it has a great deal of merit, and I'd like to spend a few minutes indicating why I think that's true and also to point out some reservations I have about putting into practice this compulsory language requirement for high school students.

The bill indicates, and the Speaker elaborated a bit on, the reasons for having a second language requirement. It's interesting if you look back historically at the reasons why second languages have been included in school programs. In the Middle Ages the requirements were in schools so that the Scriptures could be read. At that time, of course, the language requirement was Latin. Throughout the years, various schools and various learning systems have made arguments for the inclusion of a second language.

I think one reason that permeates or abridges all of the reasons given is the notion that to be an educated individual, to be truly educated, you will be able to express and to learn in at least a language other than your native language, that a mark of being educated is being able to speak another language, and that is a consistent reason, I think, given in all proposals for including a second language. In the case before us, I heard the Speaker talk about the economic reasons for having our students be fluent in another language. Given the change in how business is being conducted and the involvement in parts of the world remote from Alberta, it's a great benefit to our students to be able to carry on commerce in a language other than their own. I agree with that.

3:50

I think it's interesting to put against that argument the counter-

argument, however, that English is fast becoming the universal language of the world and that the Internet is hastening that. Attempts by other governments, governments where languages other than English are spoken in their countries, have tried to take action to stop the march of English. The government of France, I understand, has an arm that's particularly devoted to trying to make sure that French is preserved and that the number of English words being incorporated into the French language is limited. They had trouble, for instance, with the space program. Being an American program and the French adopting all of those space and space-science words into the language, they went about trying to get some translations and ensuring that at least government departments in France used the French descriptions and not English.

There's that sort of notion that somewhere down the road in the future you may not need a second language to do business elsewhere, that we will all be speaking in English. However, I think that's a while in the coming, and in the interim this is a good idea.

One of the problems – and I look back, as many of us must do, to our second language experiences. I'm afraid mine weren't always with fondness. I'm not quite sure what I learned from three years of high school French and how proficient it made me. I certainly wouldn't dare try to do business in another country with the kind of French that I learned there. Nevertheless, I think it probably did serve as a useful basis, and I was able to squeak through an exam at university to get the second language requirement out of the way based on what was done in high school.

The proposal opens the door to a whole host of issues that would have to be addressed. Certainly in my case, in my high school experience, teaching and the quality of the teaching that would be available: are there teachers available to make this kind of proposal a reality? I think it would be a question that the Department of Learning would have to struggle with.

I think the value of a second language program has long been held by Albertans. I look at my experience here in Edmonton with the Edmonton public school board and the heritage language programs that saw Ukrainian, Cree, the Arabic program, the Mandarin program being introduced. In fact earlier this afternoon, Mr. Speaker, Mrs. Pei from Meyonohk school and her Mandarin students were introduced to the Assembly. They're a group of students who are receiving Mandarin instruction at the 6th grade level, and that will continue.

So I think that there's a great deal of support amongst Albertans for learning language programs for a number of reasons. A lot of it is heritage. There are many of those Albertans born elsewhere or whose parents were born elsewhere who desire the language that they were raised in, their family was raised in, to be perpetuated. So they argue from that perspective that a second language is needed.

One of the difficulties, of course, they've had is maintaining the class enrollments of those programs. They start off with great enthusiasm, and then it's my understanding that it takes at least a student body of 60 or 60-plus students to have a cohort that will see it through until 12th grade. It's very difficult to maintain that kind of a cohort, particularly once they hit high school and the pressures to take other courses and the pressures to keep their marks up become more evident. So maintaining those language programs has been a problem. I know at one point the Cree program had to be discontinued for just that reason. I think it's being reinstituted again, but keeping those programs in place is difficult.

One of the things this motion would do is that by making the language requirement compulsory, it would stress the importance of the language, but it would also mean that there was a reward for those students who stuck to it in terms of getting their high school

credentials. They would have contributed to that by taking a language program throughout their school career.

One of the other concerns I have about motions like this that come before the Assembly – and I'm not sure I've been guilty of it, Mr. Speaker, but I may have – is the notion of curriculum tinkering. That is taking something like second languages, even though we all say it's great and of huge value, and adding that to an already burdened program of studies without stepping back and saying: what are we doing to schools? What are we doing to students when we make these kinds of proposals?

One of the proposals we had and have put before the Assembly is the need for a review of K to 12 education in the province, much like the review that was done in 1971 by the Worth commission, an opportunity to stand back as they did at that time and to look at the program of studies, to look at the kinds of goals they thought were important, and then to come up with a comprehensive plan. Since that time we haven't had that kind of overview of education in the province. I'd still argue, Mr. Speaker, that's really a necessary thing to be done and probably a prerequisite to something like this. However, I still support this and am desirous that it be put in place, even if we don't get that kind of review.

The other concern I have with it – and maybe it's a department-specific problem – is that I look at the difficulty that the students have experienced with mathematics programs lately, the applied math and the pure math in high school, and I worry a little bit about the government's ability to implement this kind of a change or any kind of a change, given the kinds of things which seem to have happened to students with that program being implemented with little regard for students in the 65 to 80 grade range bracket.

So I have some reservations. Those reservations aside, I have some more things I would like to say, Mr. Speaker, but I think at this time, with permission, I would like to adjourn debate on Motion 501.

[Motion to adjourn debate carried]

THE DEPUTY SPEAKER: In order to allow adequate time to prepare for the Budget Address by the Minister of Finance this afternoon, the House is recessed until 4:30 p.m.

[The Assembly adjourned from 3:59 p.m. to 4:30 p.m.]

Transmittal of Estimates

MRS. NELSON: Mr. Speaker, I have received certain messages from Her Honour the Honourable the Lieutenant Governor, which I now transmit to you.

THE SERGEANT-AT-ARMS: Order! Please rise in the galleries.

THE SPEAKER: The Lieutenant Governor transmits supplementary estimates of certain sums required for the service of the province for the fiscal year ended March 31, 2001, and recommends the same to the Legislative Assembly.

The Lieutenant Governor transmits estimates of certain sums required for the service of the province for the fiscal year ending March 31, 2002, and recommends the same to the Legislative Assembly.

The Lieutenant Governor transmits estimates of certain sums required for the service of the province and of certain sums required from the lottery fund for the fiscal year ending March 31, 2002, and recommends the same to the Legislative Assembly.

Please be seated.

head: **Government Motions**

6. Mrs. Nelson moved:
Be it resolved that the messages of Her Honour the Honourable the Lieutenant Governor, the 2001-2002 estimates and business plans, and all matters connected therewith be referred to Committee of Supply.

[Government Motion 6 carried]

7. Mrs. Nelson moved:
Be it resolved that the Assembly resolve itself into Committee of Supply, when called, to consider supply to be granted to Her Majesty.

[Government Motion 7 carried]

8. Mrs. Nelson moved:
Be it resolved that the message of Her Honour the Honourable the Lieutenant Governor, the 2001-2002 lottery fund estimates, and all matters connected therewith be referred to Committee of Supply.

[Government Motion 8 carried]

9. Mrs. Nelson moved:
Be it resolved that pursuant to Standing Order 58(2.1) the number of days the Committee of Supply will be called to consider the 2001-2002 lottery fund estimates shall be one day.

[Government Motion 9 carried]

10. Mrs. Nelson moved:
Be it resolved that the message of Her Honour the Honourable the Lieutenant Governor, the 2000-2001 supplementary supply estimates, No. 2, for the general revenue fund, and all matters connected therewith be referred to Committee of Supply.

[Government Motion 10 carried]

11. Mrs. Nelson moved:
Be it resolved that pursuant to Standing Order 58(6) the number of days that the Committee of Supply will be called to consider the 2000-2001 supplementary supply estimates, No. 2, for the general revenue fund shall be one day.

[Government Motion 11 carried]

12. Mr. Hancock moved:
Be it resolved that the Assembly resolve itself into Committee of the Whole, when called, to consider certain bills on the Order Paper.

[Government Motion 12 carried]

Tablings

MRS. NELSON: Mr. Speaker, I wish to table certain budget related documents. In February, when the House was not in session, our government published its 2000-2001 quarterly budget report. Now that the House is in session, this document is being tabled to comply with section 8 of the Government Accountability Act.

On behalf of the Minister of Revenue I am also tabling the Alberta heritage savings trust fund quarterly report also published in February. This complies with section 15 of Alberta Heritage Savings Trust Fund Act.

Mr. Speaker, I am also tabling the third-quarter activity report,

which describes the government's major achievements during that period.

Mr. Speaker, before moving Motion 13, I also wish to table the 2000-2001 supplementary estimates, No. 2. When passed, these estimates will ratify the special warrant passed in March as permitted by section 6 of the Fiscal Responsibility Act. This special warrant was based on the quarterly budget report, which served as the revised consolidated fiscal plan as required by section 8 of the Government Accountability Act.

Mr. Speaker, I am also tabling the Legislative Assembly estimates and the government and lottery fund estimates.

In addition, I am tabling the consolidated fiscal business plan as required under section 4 of the Government Accountability Act. Budget 2001 also includes business plans for each ministry, which must be made public under section 13 of this act.

head: **Budget Address**

13. Mrs. Nelson moved:
Be it resolved that the Assembly approve in general the business plans and fiscal policies of the government.

MRS. NELSON: Mr. Speaker, several years ago Premier Klein stood in this Assembly and said: given the choice between the past and the future, Albertans will choose the future every time. On March 12 Albertans did just that. They chose a positive future. They chose the proven leadership of our Premier, and they chose a proven team to help lead the way.

By putting their trust and confidence in our government, Albertans sent a clear message: stay the course, get rid of Alberta's debt, spend what we can afford on things that count most, and when the debt is gone, reduce our taxes again, and leave more money in our pockets. We heard the message loud and clear, and all 74 proud members of the Ralph Klein team are here today to make sure the job gets done.

4:40

Mr. Speaker, budgets are complex. They're a mix of plans and ideas, economic forecasts and fiscal realities. Budgets take our dreams of tomorrow and match them with the dollars we have today. This year's budget is about meeting priorities and sharing benefits. It's about keeping our eyes firmly focused on the future.

Before I get into the details, Mr. Speaker, I want to answer the simple question most Albertans have, and that is: what does this budget mean for me and for my family. This is what Albertans and Alberta families can expect. They can expect to live in the first debt-free province in Canada, and with the lowest taxes in Canada they can expect more money in their pockets this year and every year. If they own a small business, the income taxes they will pay will be cut in half over the next three years. The combination of lower taxes for businesses, large and small, plus Alberta's well-known reputation as a place that's open for business, means they can expect more jobs, highly skilled, well-paying quality jobs, for themselves and for their children.

With this budget Albertans can expect quicker access to essential health services like MRIs, transplants, and major surgeries. With new seniors' lodges there will be more choices and hundreds more places for seniors to live. With Budget 2001 Alberta's children will continue to be at the top of the class. With added funding their school boards will have more flexibility to meet important priorities like reducing class sizes and providing more support for children with special needs. Young Albertans and people with sons and daughters at college or university will see automatic remissions on student loans, more scholarship opportunities, and no big jumps in tuition fees.

Mr. Speaker, the federal government may not be listening to

western farmers, but we sure are. We'll provide urgently needed support to Alberta's farmers and ranchers. If we face droughts this spring, they can count on us to respond.

For people living in our small communities and rural Alberta, more funding will be made available for RCMP. That will mean more active policing and safer communities.

Thanks to onetime accelerated investments Albertans will be able to travel on better roads and highways. Older schools in many communities will get the renovations they so desperately need, and more money will be spent on leading-edge health facilities and equipment.

Albertans have our guarantee that we will step in and take action if energy prices soar again in the future.

Finally, Mr. Speaker, Albertans can expect to live in a province that's alive with energy and activity, a place that's leading the rest of the nation in economic growth. Almost everywhere you turn, there's positive news on the economic front. Alberta is the shining light in Canada's economy, and we're determined to keep that light shining brighter than ever.

Those are just some of the benefits we can share with Albertans, benefits that are a direct result of this government's careful fiscal plans and our determined agenda to create a positive future for our province.

If all goes well and as planned, Mr. Speaker, thanks to Alberta's strong economy we'll take in close to \$22.7 billion in revenues in 2001-2002. We'll spend the majority of those revenues where it counts, on top priorities like health, education, and onetime spending on infrastructure. We'll set aside a cushion of \$817 million to protect us in case oil and gas revenue drops, and at the end of the year at least three-quarters of that cushion will go to the bottom line, paying down Alberta's debt.

Mr. Speaker, Albertans understand that predicting provincial revenues is a Finance minister's nightmare. Last year a combination of strong oil prices and unprecedented increases in natural gas prices put the province in an outstanding financial position. We used that exceptional boost in revenues wisely: to pay down debt, to make onetime payments on improving infrastructure, and to shield Albertans from the full impact of spikes in natural gas and electricity costs. But the reality is that we simply don't know what might happen to oil and gas prices tomorrow, let alone three years from now. No one does. Every time the price of oil goes up or down a dollar a barrel, the province gains or loses \$153 million. Every time natural gas goes up or down by 10 cents an mcf, the province gains or loses \$142 million. So depending on whether you're a wild-eyed optimist or a hard-nosed pessimist – and believe you me, I've heard from both – the impact on forecasts for the province's bottom line is huge.

If you listen to the positive forecasts, three years from now we could take in \$8 billion in resource revenues. If you're more convinced by the lower forecasts, we could get half of that. That's a lot of money, Mr. Speaker. The \$4 billion difference between the highest and the lowest predictions comes close to what we spend on basic and postsecondary education in a year, and it shows the problems we can get into by pinning all our hopes on forecasts that may or may not come true.

Budgets aren't about pinning your hopes on forecasts. They're about acting responsibly. Forget the wild-eyed optimists. Take the responsible course and count on reasonable revenues. If we're wrong, Mr. Speaker, if oil and gas prices are better than we expect, no one will be happier than this Finance minister to be able to stand here next year and say to Albertans: "We've got great news. We're taking another giant step to our goal of a debt-free province."

We've taken the tried-and-true conservative course since 1993,

Mr. Speaker. So what have we got to show for it? Well, we have a fiscal record that's unmatched in Canada: seven consecutive years of balanced budgets, our debt reduced by nearly two-thirds, and \$750 million in permanent interest savings to spend on Albertans' priorities.

Mr. Speaker, oil and gas prices may be uncertain, but there's one thing we can say with absolute certainty: if oil and gas prices stay higher than we expect, at least three-quarters of that extra money will go directly to Alberta's debt. That's the law in Alberta. The higher the prices, the quicker we'll fulfill our promise to Albertans to create Canada's first debt-free province.

This year we'll also take a close and careful look at the longer term future for the province's revenue picture. We'll examine our investment and revenue frameworks to give us a better idea of what we can expect in the longer term, particularly after our debt is retired, and we'll use that information to help guide our budget decisions in the coming years.

Mr. Speaker, let me turn from the big picture to some of the details, especially in four key areas: keeping taxes low, continued growth in Alberta's economy, spending on Albertans' priorities, and creating a debt-free province.

Let's start with the best news first. Mr. Speaker, in 2001 Albertans will pay over a billion dollars less in personal income taxes to the provincial government. That's over a billion dollars less. Basic and spousal exemptions will be the highest in the country. In every income group people will pay less. In fact, 200,000 low-income earners will be removed from the tax rolls entirely.

4:50

On the business tax side Alberta's taxes may measure up to the rest of Canada, but when you look beyond our country's borders, we simply are not as competitive. In today's world of highly mobile businesses, people, and capital, it's simply not good enough to be just among the lowest in Canada. Thanks to the work of the Business Tax Review Committee, we're taking major strides to put Alberta in a solid competitive position with the rest of the world. The first cuts began on April 1. Income tax rates for all businesses have been cut. Capital gains taxes were reduced. The railway fuel tax is being reduced, and we're the only province in Canada to eliminate the financial institutions capital tax. Mr. Speaker, in the next five years the combined effects of cuts to both personal and business taxes will add \$4.3 billion to Alberta's economy.

Mr. Speaker, when you look around the province, the economic picture is truly breathtaking. In the last year, Alberta's economy grew by 6.1 percent, leading the rest of Canada and ranking right up there with leading economies around the world. We're looking at \$31 billion in major new construction projects on the books and ready to go, a sure sign that Alberta's economy is rapidly on the move. Alberta today is a much different place than it was 10 or 15 years ago. Unlike the past, our economy is no longer tied completely to the fortunes of the oil patch. The oil and gas industry now shares office towers in downtown Calgary with high-tech companies, thriving telecommunication industries, and new companies providing business and financial services. Gone are the days when Edmonton's fortunes were tied to the growth of the public sector. Today people are putting Edmonton and Calgary at the top of the list of cities that will lead the country in economic growth.

On top of growing grain and raising livestock to ship to markets outside the province, Alberta's agriculture industry is increasingly looking at ways to produce new products and add value right here in the province. The same is true for the forestry industry, for petrochemicals and a whole host of new business ventures that are adding strength and diversity to Alberta's economy.

This new and exciting economy is transforming the traditional image of Alberta from a producer of raw materials to a producer of

new ideas, new products, and new ways of doing business. The result is an economy that continues to fire on all cylinders. Spurred by tax cuts, we expect Alberta's economy to grow by 4.8 percent in 2001, far outpacing the rest of Canada. In the medium term we're expecting a healthy and sustainable pace of 3.2 percent per year on average. But perhaps the best news for Albertans is that solid economic performance should translate into over 150,000 new jobs in the province by 2004. Thanks to a strong and vibrant economy with more Albertans working than ever before, we're in a good position to target spending where it is needed most.

Mr. Speaker, when we decide how much to spend, it's not much different from a regular Alberta family. We start with how much we're likely to earn not just this year but for the next three years. Right now our earnings are at a peak, but we expect they will go down over the next few years, so we can't let ourselves get caught with spending more than we can afford. We have to look carefully at where we spend our money and make sure it's on top priorities like paying off the mortgage. We have to assess how much we spend on big-ticket items when we have cash on hand. Can we afford to buy a new car, fix the roof, or add a garage? In the province's case it's the question of paying for roads and highways, fixing schools, or building a new health centre.

The numbers, Mr. Speaker, in the province's budget may be bigger, but two key questions are the same. First, how do we take the money we have, pay our bills, and build a better life for our family? Secondly, are we better off to pay down the mortgage as fast as we can, spend money to meet pressing needs, or do a little of both?

In this year's budget we're doing a little of both. We'll spend over \$18 billion on priority programs, we'll invest more than \$3 billion in onetime spending to meet pressing needs, and we'll plan to make a major payment on the mortgage at the end of the year. By far the biggest proportion of this year's budget goes to Albertans' top two priorities, health and education.

In Health and Wellness base spending will increase by 13.5 percent this year and a total of 28 percent over the next three years. By 2003-2004 spending on health will make up 35 percent of the province's total spending. Mr. Speaker, Albertans can expect to see direct benefits from this spending in the form of more funding for provincewide services such as transplants, heart surgeries, and kidney dialysis; better access to MRIs, with the highest per capita rate of MRI scans in the country; a provincewide meningitis immunization program; more funding for drugs used in treating cancer; and an enhanced program for breast cancer screening.

In Learning, spending will increase by 7.7 percent this year and 19 percent over the next three years. With additional funding Alberta school boards will have the flexibility they need to meet their students' needs. The achievement of Alberta students ranks right up there with the best in the world, and our continuing investment in education will make sure it stays that way. To put the budget increases for basic education in perspective, in the year 2000-2001 budget the province provided every school board with over \$155,000 in total funding to support the education of a class of 25 students. By 2003, funding for the same class of 25 students will increase to \$180,000. That's an increase of \$1,000 per student.

Mr. Speaker, Alberta's economy and the success of young Albertans depends directly on their ability to get the education and training they need to pursue their career goals and dreams right here at home. With Budget 2001 colleges, universities, and technical institutes will be able to add 1,200 more spaces each year for the next three years in key areas such as health, business, teacher education, and information and communications technology. We will also add spaces in the apprenticeship programs to meet the need

for more skilled workers. Starting this school year we'll provide targeted funds to attract and retain the best faculty members in critical areas such as medicine, computer science, engineering, and business. By next school year this targeted funding will increase to \$40 million a year.

5:00

Mr. Speaker, as a parent we all know that one of the growing worries about postsecondary education is: will we be able to afford it for our children? Well, this government will not allow cost to be a barrier to postsecondary education. It's too important to our province, and it's too important for the future of our young people. With \$70 million in this year's budget, steps will be taken to automatically reduce the debt load of student loans for eligible students after they've successfully completed their first year and even further when they've completed their studies. On top of that, scholarship programs will be increased by 43 percent over the next three years. That will provide a direct benefit to about 20,000 Alberta students annually.

I want to quickly mention a couple of other areas where Albertans will see direct benefits from Budget 2001. New funds are being added this year to address problems of children at risk. Albertans will see expanded outreach, treatment, and prevention programs for children involved in prostitution, children with fetal alcohol syndrome, and troubled teens. At the other end of the age spectrum additional funds will be provided for Alberta seniors' benefit programs. We'll increase funding for the AISH program by 18 percent over the next three years, and we'll provide targeted funding to address the problems of homelessness. Mr. Speaker, these commitments are a sign of a government that cares not just about the bottom line but truly cares about the people of the province and especially those who need our help.

On top of ongoing funding for key program areas Budget 2001 continues our commitment to a number of onetime spending programs. During the recent election campaign Premier Klein and my colleagues, especially those from rural Alberta, learned firsthand about the growing challenges faced by Alberta's farmers and ranchers. Whether it's the threat of disease sweeping through their herds, the very real possibility of droughts, high input costs, or market conditions beyond their control, farmers and ranchers across all of western Canada face uncertain and very trying conditions.

For those of us who spend most of our time in the cities, it's easy to forget how difficult things can be for farmers and ranchers, but we made a commitment that we would not forget. With Budget 2001 we will add to the base budget already in place for farm safety net programs. This spring we will provide support to producers across the province to help meet urgent needs, and we'll continue to pressure the federal government to take the plight of western Canadian farmers to heart.

Mr. Speaker, our government is also taking action to protect Albertans from high energy costs, which includes individual Albertans, businesses, farmers, nonprofit organizations, municipalities, schools, postsecondary institutions, and health facilities. Our Alberta government will not stand by and let high energy prices cut into the strong Alberta advantage for individuals and businesses.

In fact on April 10 Premier Klein introduced new legislation to protect Albertans from high natural gas prices. Budget 2001 commits \$125 million to cover the cost of this protection program. If prices are higher than our forecast, further assistance will be provided. Each year we'll reassess the situation and decide if rebates are needed.

The final area of onetime spending is infrastructure. With the additional revenues available we will double our regular spending on

upgrading Alberta's infrastructure. In fact, from the year 2000 to the year 2004 we will have spent a total of over \$8 billion on roads, highways, and public transit, on new and renovated schools, on expanding our postsecondary facilities, building two new health centres of excellence, one for cardiac care and one for bone and joint care, providing support for water and wastewater facilities, and, of course, on Supernet. Supernet is the new high-speed Internet network linking 420 communities across the province and bringing the world literally to our doorsteps.

Mr. Speaker, those are the highlights of our spending plans for Budget 2001.

Let me turn from spending to saving, specifically to our bold plans to make Alberta the first province in Canada to be debt free. As the Speech from the Throne pointed out, the dream of a debt-free Alberta was once only a pinpoint of light on the horizon. Now it's in full view, and there is a very real possibility that Alberta's debt will be completely gone sooner rather than later.

However, we're taking a cautious approach. We can't and we won't make promises on debt retirement that we might not be able to keep, not until we have the money in the bank. But here is a promise. If prices stay high – and many think they will – we won't search out new ways of spending taxpayers' dollars on new spending programs. Instead, every dollar we can spare will go to pay down Alberta's debt. That's our promise to Albertans, and nothing would make us happier than to burn the mortgage before Alberta celebrates its 100th birthday in 2005. That's my goal and that's our Premier's goal.

Mr. Speaker, that's an overview of Budget 2001. It's a budget focused on meeting priorities and sharing benefits, reducing taxes and leaving more money in Albertans' pockets, spending what we can afford on priorities, and maintaining our promise to wipe the slate clean, to eliminate Alberta's debt once and for all. It's the kind of responsible budget Albertans have come to expect from this

government, and we have never let them down.

Mr. Speaker, giving a Budget Address is a humbling experience, and I have a long list of distinguished predecessors to follow. Each of them put their own stamp on budgets, and I thought: in my first Budget Address what would be my stamp? What is it I stand for in presenting budgets to the people of Alberta?

In my personal and family life I've lived by one model, and that is to thine own self be true. I've come to realize that this is what Alberta is all about. It's definitely what budgets are about, telling things like they are, not beating around the bush, doing things in our own unique way, tackling problems head-on, trying in spite of all odds to do the right thing while building an even stronger future for ourselves, our children, my son, and our great province.

5:10

Winston Churchill once said, "There is only one duty, only one safe course, and that is to try to be right." Mr. Speaker, who am I to disagree with Winston Churchill? I firmly believe this is the right budget for Alberta. It's a budget that makes no promises we can't keep, a budget that keeps us on a steady course to the brightest vision we can imagine: a debt-free Alberta, a proud and thriving province with jobs, opportunities, and an undying spirit that says to the rest of the world that there's no stopping Alberta.

Thank you, Mr. Speaker.

THE SPEAKER: The hon. Leader of Her Majesty's Loyal Opposition.

DR. NICOL: Mr. Speaker, I beg leave to adjourn debate.

[Motion to adjourn debate carried]

[The Assembly adjourned at 5:12 p.m.]